

A stylized world map is centered on the page, composed of numerous colorful speech bubbles in shades of red, orange, teal, and grey. A dark teal horizontal banner is superimposed over the center of the map.

## GFAN REPORT GLOBAL FUND 50<sup>TH</sup> BOARD MEETING



The Global Fund's 50<sup>th</sup> Board meeting took place from the 14<sup>th</sup> to the 16<sup>th</sup> of November 2023. This report will share highlights from the meeting. Rather than trying to capture in full 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. It 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 two NGO Delegations on November 29<sup>th</sup> and you can access the recording and materials from that call [here](#).

**Acronyms:**

AGYW	Adolescent Girls and Young Women
ATM	AIDS, TB and Malaria
C19RM	Covid-19 Response Mechanism
CHW	Community Health Workers
CRG	Community, Rights and Gender
EHRG	Equity, Human Rights and Gender
GAC	Grant Approval Committee
GC7	Grant Cycle 7
KPI	Key Performance Indicator
KP	Key Populations
MLE	Monitoring Learning and Evaluation
OIG	Office of the Inspector General
PAAR	Prioritized Above Allocation Request
PPPR	Pandemic Prevention, Preparedness and Response
PR	Principal Recipient
QA	Quality Assurance
RSSH	Resilient and Sustainable Systems for Health
SEAH	Sexual Exploitation, Assault and Harassment
STC	Sustainability, Transition and Co-financing
TERG	Technical Evaluation Reference Group
TRP	Technical Review Panel



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## KEY ISSUES AND TAKE AWAY FROM THE BOARD MEETING

The rest of the report will give you a good sense of the play-by-play of the four days of the Board Meeting, but one can easily miss the forest for the trees. So here are our key takeaways from the discussions inside and outside of the Board Meeting room, and some thoughts and comments about the expected and the unexpected in Geneva.

### NEW BOARD FORMAT

The Board Meeting agenda was built around a pre-day of updates on technical and governance issues, a first day dedicated to further updates, from the Executive director and the Secretariat, covering the three diseases and contributory objectives, with no decision points. All decisions were made during day two and three of the meeting.

We liked this structure, which gave all in the room time to absorb context and helped clarify positions and build consensus across delegations before it came time to take decisions. It felt intentional and natural, and we hope to see it continue.

### INFORMAL MINI BOARD RETREAT

The Board Member and Alternates were scheduled for a day of informal board retreat immediately after the closure of the Board Meeting itself – GFAN was not invited to attend and though Board members were openly discussing their priorities for the retreat throughout the meeting, the exact agenda was not shared with us. The Members and Alternates seemed to want to focus discussions on governance (the proposal for a new voting seat on the Board for the African Union put forward by some delegations) and sustainability (see below).

### SUSTAINABILITY, CO-FINANCING AND TRANSITION REVIEW

A proposal was put to the Board and the Secretariat for a review, opening the door to an eventual revision, of the Sustainability, Co-financing and Transition (STC) policy of the Global Fund. The proposal seemed motivated primarily by better tools to promote country ownership and providing donor with a clear “off-ramp” in the face of rising demand from the most vulnerable countries. The request was not only received positively, with a number of participants noting that the type of changes suggested to the STC policy could really be accommodated within its current iteration.

### TRADE-OFFS

Linked to the STC discussions, “tradeoffs” really felt like the theme of the meeting. In the face of stagnating funding for GC7, limited prospects for improvements in GC8, and increased demand (see polycrisis below), the Secretariat, TRP, technical partners, and all delegations focused a lot of their interventions around resource allocation, what to prioritize and implicitly what to roll back.



Tradeoffs were discussed in particular with regard to innovation and coverage (buying new more expensive tools or cheaper, less effective ones), in terms of types of programs (prevention vs. diagnostics vs. treatment), and in terms of mandate (Should certain thematic be relinquished in favor of other partners? How should emerging issues be integrated without spreading the partnership thin?).

From our perspective, these discussions are essential to make sure there is transparency on what is prioritized and what is not, but the other side of that equation – how to increase the size of the pie so we do not have to trade one intervention for another or chase efficiencies all the way to US\$2.3 more billion – was not featured enough throughout the meeting.

#### FGHI

The Future of Global Health Initiative was mentioned repeatedly throughout the Board Meeting by different delegations both among donor and implementing constituencies. References to FGHI were made to support calls for greater country ownership, and for greater collaboration and coordination across GHIs; these same calls were also made under the slogan “One Plan, One Budget, One Report”.

#### POLYCRISIS

Though some indicators were thankfully promising, the underlying tone for the meeting was one of concern if not gloom, encapsulated by the word “polycrisis” which crept into a number of interventions (if the topic interests you [this is a good newsletter](#) and [this is a good twitter account](#)). The facets of the crisis of everything that were most discussed were climate change and its first, second and third order effects (i.e. respectively hotter temperatures, spread of vectors, and malnutrition, inequalities and poverty), the worsening of international tensions and ongoing conflicts (i.e. Ukraine and, though it was not mentioned directly as often, the ongoing Hamas/Israel conflict), the rise of resistance in Malaria to both insecticide and artemisinin, and a global anti-rights movement that made itself felt most starkly and most recently in Uganda.



## PRE-DAY

November 13<sup>th</sup> was a day of pre-meeting and updates; the main agenda of the board meeting started on November 14<sup>th</sup>.

## UPDATES FROM THE TECHNICAL REVIEW PANEL

The update opened with the announcement of the new Technical Review Panel (TRP) chair, Raminta Stuikyte, and vice chairs, Ernest Nyamato and Shinsuke Miyano. You can find the full composition of the TRP panel [here](#).

The presentation focused on top level lessons and recurring issues with the Funding Requests (FRs) in application windows one and two. It opened with a message from the Board chair commending the work of the TRP, and overwhelmingly positive feedback regarding the quality of their report and the utility of their work and feedback to implementing country.

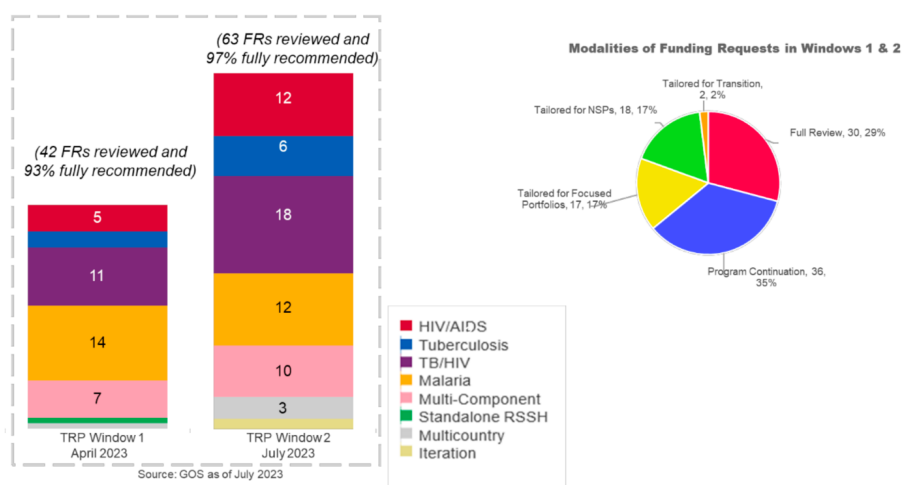


Figure 1 – Overview of the TRP work for GC7

The presentation opened with a discussion of the funding outcomes of the review (see Figure 1) and highlighted the new criteria for evaluation put in place to ensure Funding Request alignment with the new strategy. The number of activities pushed to Prioritized Above Allocation Request



(PAAR) – in other words activities that are considered priorities by the countries but could not be fitted into the budget – was also highlighted for representing nearly half of requested amount.

The presenters then discussed cross-cutting lessons learned from the Funding Requests presented in Window 1 and 2. They highlighted:

1. Noticeable improvement across the board in the strength of the Funding Requests, and welcomed in particular a better use of national data for planning.
2. Improvements in the optimization and precision of interventions across the board.
3. The damaging impact of stagnating allocation and challenges with prioritization:
  - a. Many countries adapted by spreading their budgets thin across too many interventions or front-loaded their budgets leaving themselves exposed in the last year of implementation. Budgetary gaps to procure essential drugs and medical products were especially concerning to the TRP.
  - b. Many critical interventions were pushed to PAAR, and for a number of countries PAAR amounts representing twice the size of the allocation. In many countries, critical enabling interventions were pushed to PAAR, threatening the credibility of other interventions (for example, testing moved to PAAR and treatment kept in the main budget), or innovative tools rollouts prioritized over tried and tested programs (for example LLINs procurement pushed to PAAR but RTS,S in main budget).
4. High program management cost in a number of countries, which the panel chairs stressed as not a new issue.
5. On RSSH: improvement in quality and total amount, but slow shift from system support to system strengthening, with a lot of funds in particular dedicated to salary support in the public health system.
6. The Funding Request guidance focused on program integration, and resulted in improvement across the board, though slower in Human Resource for Health, Primary Health Care (PHC) and Sexual and Reproductive Health (SRH) and reproductive, maternal, neonatal, child and adolescent health (RMNCAH).
7. Country level collaboration between Global Fund programs, other donors and the public and private sector was often found to be missing, despite its growing importance in the context of restricted resources.

The presenters then discussed specific thematic lessons learned:

- **HIV:** Prevention received a higher percentage of total allocation that in previous rounds, with a focus on Adolescent Girl and Young Women (AGYW) and Key Populations (KP). Test and treat innovations developed during Covid-19 have been retained and scaled up, allowing for progress on that front as well. The use of reliable data for size estimate and prioritizing interventions was however noted as an ongoing issue.
- **TB:** Large effort to continue post-Covid case-finding, and roll out of screening and testing innovation, but remaining gaps in the continuum of care.



- **Malaria:** Very different situations in low and high transmission settings. Major progress towards elimination in many low transmission settings, but stagnation and challenges across high transmission countries.
- Better access to disaggregated data, but not always used to inform program prioritization, and tension between prioritization of more effective but more expensive tools, such as dual-insecticide nets, and reaching adequate coverage.
- Key findings relating to the Global Fund Strategy's "contributory" objectives:
  - o People Centered Integrated Systems for Health: Improvements, but gaps in coordination and integration across partners under a national stewardship system. The panel recommends countries to maintain up to date maps of ongoing partnerships to facilitate donor coordination.
  - o Engagement and Leadership of Affected Communities: gaps in community-led programs and initiatives, and regarding inclusion in social contracting. Criminalization of KPs in a number of countries creates renewed challenges and threatens hard won gains.
  - o Health Equity, Gender and Human Rights: Barriers are well identified in most concept notes, but there is limited effort to include programmatic activities, and when included they are underfunded and underprioritized. The new Community Annex helped ensure the issues were considered and made explicit, but in many countries the annex was only prepared once the Funding Request was finalized and the Community Annex was not always prepared by communities and/or civil society. Too many Funding Requests looked at Key Populations as singular, uniform groups, with no consideration for intersectionality.
  - o Mobilizing increased Resources: Co-financing and Domestic Resource Mobilization (DRM) catalyzation have shown some improvements, but the panel stresses the continuous low level of investment in health in key countries.
    - Blended financing: Only a few requests, focused mostly on UHC – these still appear in the opinion of the panel to be in their infancy.
    - Social health insurance: slow progress and lack of integration with disease programs.

**Commented [KW1]:** honestly...I THINK I know what this means but is there a way to explain stratified within the sentence?

**Commented [QB2R1]:** Just disaggregated, there might be a subtlety but I don't know what it is.

## DISCUSSION:

Various constituencies highlighted in their remarks:

- Concerns regarding the Community Annex, emphasizing the need for a deep dive into key population networks and minimum expectations at the country level.
- Questions about the "Support vs. Strengthen" tensions in the context of RSSH; this is likely why a number of delegations called for a review of the Sustainability, Transition and Co-financing (STC) policy. Plans to create a TRP Working Group for follow-up on STC policy recommendations were discussed, emphasizing the importance of partnership.
- The challenges of effective UHC programming, and the additional capacity that might be required for engagement by the TRP.



- The importance for programmatic decisions to be data-driven, stressing in particular the danger of unrealistic assumptions baked into population-size estimates with a cascading effect on programming priorities.
- The need for further clarity on how climate adaptation and mitigation were integrated in the Funding Requests.
- Questions regarding the best way to approach the tension between local procurement, and its effects on supply chain strengthening, and cost efficiency.

In response, the TRP presenters emphasized the challenges engaging with Community Health Workers (CHWs), and avoiding adding to their already substantial workload.

The Community Annex was recognized as a valuable tool for insights into community-level situations, though improvements were suggested, particularly regarding costing and intervention description, which were often found lacking.

The presenters welcomed the request for a review and update of the STC policy to align it with the new strategy, with a focus on investment in system strengthening and a longer-term perspective. The TRP also proposed a new Working Group to implement recommendations and suggested self-reflection on their role in identifying and implementing recommendations.

The panel recognized the tension between local production and international procurement, with a call to consider context and application before making recommendations and looking at the Board for guidance.

A Working Group on climate change and health was announced, addressing concerns about expertise within the TRP.

## GOVERNANCE AND COMMITTEE UPDATES

The three board committees, Audit & Finance (AFC), Strategy (SC) and Ethics & Governance (EGC) gave an update of their work to the board.

### AUDIT & FINANCE COMMITTEE

The committee chair and co-chair remarks were brief and focused on:

- Resource mobilization: the committee has been working on providing guidance ahead of the 8<sup>th</sup> Replenishment, learning lessons from the 7<sup>th</sup> and ensuring that preparation starts early enough to ensure success.
- C19RM and PPR: Supervision of the secretariat's reporting on the reinvestment of leftover C19RM funding towards broader RSSH and PPR.
- Portfolio Optimization: Working on a decision by March, based on forecasting.

### STRATEGY COMMITTEE



The committee chair and co-chair remarks were brief and focused on:

- Strategy implementation: Key priority, looking at the partnership's core business and the strengthening of its MLE on technical thematic areas.
- Core business: Working towards a decision on the allocation methodology review by the 2024 November Board.
- Strategy review: With the support of the independent evaluation function, is ongoing and will be completed in 2024.
- TRP: the panel will provide the Strategy Committee guidance on RSSH and share their conclusions from GC7.

## ETHICS & GOVERNANCE COMMITTEE

The committee chair and co-chair remarks were brief and focused on:

- A reminder of the general objective of the committee, to foster a culture of trust, cooperation and accountability.
- An update on the recruitment of the Ethics officer, which should be finished by January.
- A governance performance assessment: ongoing, will finish by Q2 2024
- The consideration of changes to the board representation (the potential addition of one voting seat for the African Union) will be brought to the Board next year, and discussed during a mini-board retreat organized on November 17, 2023 (immediately after the 50<sup>th</sup> Board meeting).
- The selection for a new Executive Director as the term of Peter Sands is reaching an end.

## DISCUSSION

The following questions were addressed by the board committee chairs:

- The need for a rebalance between Global North and Global South in the partnership governance more broadly, in light of the Future of Global Health Initiative (FGHI) report.
  - o Response: The discussion on the issue of an additional seat at the Board for the African Union was initiated within the Global Fund and not as a response to an external report, though it did take into account the broader discussion taking place.
- Under what modalities could representatives from outside Global Health be brought onto the Board.
  - o The proposition of greater engagement was made in the context of the discussions around the Climate Change and Health nexus, regarding the Green Climate Fund and other funders, but did not cover representation at the Board.
- Whether the revised allocation methodology will be used for GC8
  - o The review aims to be completed by the end of 2024, and the new allocation methodology would be used for GC8. The process starts early, because the new allocation needs to be approved long before GC8.



UPDATE ON EVALUATION MATTERS

The Board chairs explained the decision, taken at the 48<sup>th</sup> Board Meeting in November 2022 after long consultations, for the Secretariat to adopt a new evaluation function. That decision led to the hiring of a Chief Evaluation and Learning Officer, who will head the new independent evaluation office. The office will provide oversight as well as focus on the implementation of lessons learned, and will be supported by an independent evaluation panel to replace the TERG.

The new Chief Learning Officer (CLO) provided an overview of the new office, stressing the differences with the TERG – more independence and end to end engagement with GFS staff for feedback and consultations – and gave an informal update of his team’s work over 2023-2024.

Progress of evaluations planned in 2023



Figure 2 - CLO update on 2023 work



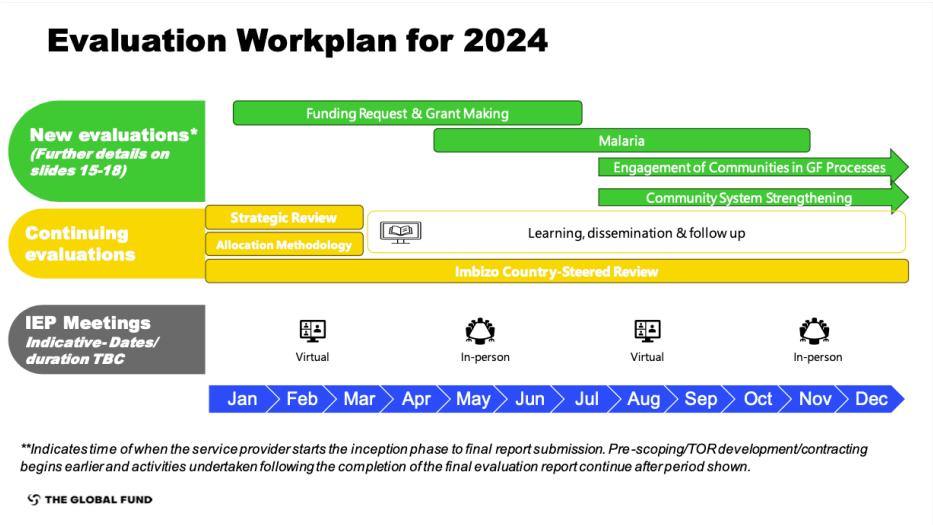


Figure 3 - CLO update on 2024 work

The Co-chair of the new Independent Evaluation Panel (IEP) presented the new body, explaining that it had been set up to be independent from the Secretariat, answering only to the Strategy Committee, and was charged with evaluation of the work of the Secretariat, and to make recommendations.

DISCUSSION

The discussion focused on coordination between evaluations taking place at the same time, and coordination across different GHIs.

The CLO and IEP chairs confirmed that evaluations would be coordinated, and account for the progress of parallel evaluations. Regarding collaboration across GHIs, CEPI has expressed interest to join GAVI and the GFF in more closely aligning their evaluation methodology. It was stressed however that there was a limit on how much integration would be most productive, since the right indicators might be different for different GHIs with different mandate (for example lives saved for the Global Fund vs infection averted for GAVI).



## BOARD MEETING DAY 1

The Global Fund 50<sup>th</sup> Board Meeting opened on November 14<sup>th</sup>.

The day opened with the lighting of a candle in remembrance to all lost to the three epidemics, highlighting this time people indirectly affected, whether health workers and care givers or relatives and children.

### REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director proceeded with his remarks, highlighting that despite a world in turmoil, in his view, the last year had seen encouraging developments for the Global Fund. Among the reasons for his optimism included rapid progress on key metrics and a real bounce back after the height of Covid-19. The recovery has been especially rapid in TB services, and the WHO 2023 TB report confirms that there are now more people on TB treatment than ever, in part thanks to C19RM funding, and a real buzz in the TB community. Across the partnership, the impact of additional C19RM investment, 800 million in 2023, was felt and allowed for innovation to be scaled up and further improvement in the partnership's capacity for impact.

On innovation and the Global Funds NextGen market-shaping strategy, Peter Sands highlighted the example of the dual active ingredient LLINs, known to be more effective but also more expensive and harder to procure in large volume. In 2023 the procurement facility allowed the Global Fund and partners to secure a price for the DAI LLIN only 0.70USD above the price of classic nets, allowing for wide adoption in Funding Requests for GC7. Other successes of the NextGen market shaping strategy include reductions in GenXpert and TB treatment prices, which will be instrumental in securing the gains made in 2022.

The Executive Director also discussed the partnership's RSSH investment, highlighting that yes, absorption, availability of technical assistance and the mismatch between available funds and the existing gaps are challenges, but shouldn't distract from the fact that more has been invested via higher quality grants than ever before.



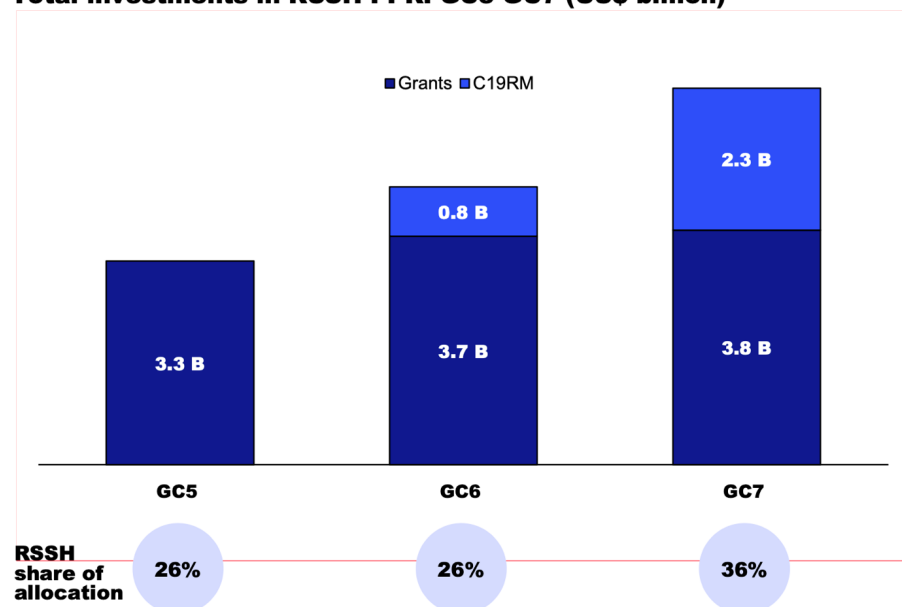
**Total investments in RSSH-PPR: GC5-GC7 (US\$ billion)**


Figure 4 - Size and share of RSSH investment in the last three grant cycles

He discussed seeing the impact of these investments first hand during a field visit to Rwanda seeing the impact of investment in oxygen access and the roll out of a digital app for Community Health Workers (CHW). Thanks to the additional funds available via the redeployment of C19RM, in GC7 RSSH investments are projected to represent 36% of total grants, or USD6.1 billion.

Regarding C19RM, Peter Sands commented that the low absorption numbers were largely a good thing, stressing that a rush to buy tests and treatments when the funding first became available would have meant that large stockpiles would have expired. Reinvestment in RSSH presents great opportunities for dual use programs, and is saving lives already – as with the strengthening of medical oxygen supply.

He went on to talk about the strain on the Secretariat's staff, the CCM members, the Principal Recipients and all others engaged in getting the grants signed by the end of the year – with other USD15 billion left to be signed in the 8 weeks following the Board.

Looking ahead to 2024, he highlighted the focus on implementing the new strategy, the need to focus on effectiveness and impact maximization. This, in a challenging context with wars, coups, natural disasters, and more will keep testing the partnership's agility as demonstrated in during the pandemic, in Ukraine and in Pakistan most recently. The multiple crises affecting the countries the



Global Fund serve are hitting key populations and vulnerable communities the hardest – and in that regard the erosion of human rights are especially troubling.

The Executive Director then discussed some of the trade offs that the partnership is facing, and the value of being transparent about these tradeoffs. Vertical and horizontal programs are often understood to be in tension, but he challenged the dichotomy and stressed that both were necessary and complimentary, and that the tradeoffs necessary between the two approaches needed to be approached one by one, with the support of the CCMs, the TRP, and technical partners.

On UHC, Peter Sands stressed that the central limit to the partnership's work was political commitment – and that countries that speak about UHC but cannot commit 15% of government budget to health and criminalize key populations shouldn't be taken seriously.

On sustainability, Peter Sands welcomed the proposal and discussion, asking the Board to keep an open mind and approach the issue wholistically, stressing in particular that the STC policy was quite flexible as it was, and a review on its own couldn't address the core issue of sustainability. He shared that in his opinion, the best way to ensure sustainability was to finish the job and end the three epidemics.

The challenges to sustainability are many, but he was quite clear that this starts with available funding and political will. Where countries aren't increasing their per capita health spending, there could be no credible sustainability. Meanwhile in higher income countries, where funding is not the core issue, political will is lacking to serve key populations. The Global Fund can and does push for social contracting, but the real issue in these cases is human rights. Key here in his opinion is that the sustainability efforts among stable low and middle income countries is a long process, the partnership is able to engage in effectively even though it works within the limitations of a 3 year grant cycle.

Underlying or worsening the impact of a lot of the crisis faced by implementing countries, he stressed climate change as an urgent health concern and discussed the Global Funds (then) upcoming participation at COP28. The scale of the climate impact on health, in his opinion, is hard to grasp because it is so multifaceted, and interlinked. He additionally raised the example of Northern Nigeria, where climate change is worsening malnutrition and Malaria, each a severe threat on their own, but combining to even more destructive effects.

Peter Sands once again addressed the concerning Human Rights situation, and the fundamental challenges it poses to the Global Fund's mission. Discriminatory laws against LGBTI+, the demonization and/or criminalization of migrants, reversals of gender equality gains, and ongoing attacks against key populations are eclipsing talks of right to health; our shared humanity and duty.

Ending on a positive note, he reminded the Board and all in attendance of the extraordinary impact of the Global Fund, and the 51 million lives saved and counting. Thinking back to 2020, he said, the bounce back from Covid-19 is especially impressive.



## DISCUSSION

The following themes emerged from the discussions:

### Disease Response:

- Effective disease response is difficult in the current global environment, with climate change and international tensions worsening a polycrisis that threatens progress. Several delegations asked for ongoing flexibilities in Global Fund grant for countries dealing with emergencies and/or acute crises, whether or not they were classified as Challenging Operating Environment.
- Several Board Members expressed concerns about funding gaps, financial crises, and the impact on grant performance and DRM efforts – especially in countries facing mounting debt burdens post-Covid.

### CRG issues:

- Numerous constituencies highlighted the very real threat of attacks against the human rights of key populations across the world, and shrinking civic spaces to hold governments accountable.
- Concerns raised about the use and misuse of community data in new technologies, and how these issues should inform the partnership's approach to digital health.
- Advocacy for Community-Led Monitoring (CLM) in programs, emphasizing community-designed activities.
- Poor pediatric HIV indicators and data were identified as a recurring issue.

### Sustainability and transition:

- Several delegations raised questions about the STC policy and its operationalization; some delegations highlighted the challenges for disease response of fluctuating country eligibility.

### Partnership:

- Several calls for collaboration with other global health initiatives (GHIs), such as GAVI and WHO, and acknowledgment of progress made in joint projects, and their importance in challenging operating environments.

### Other issues:

- Many delegations stressed the need for the Partnership to balance calls to do more with the threat of spreading available funds too thin and away from where the Global Fund impact can be the greatest. Specific thematic priorities like Resilient and Sustainable Systems for Health (RSSH), Community, Rights, and Gender (CRG), and the continuous evolution of the Country Coordinating Mechanisms (CCMs) were identified as opportunities for the Global Fund to have the most impact.



## LOOKING AHEAD TO GC7

The Secretariat presented to the board upcoming challenges and opportunities in the implementation of the new strategy in GC7. In the opening remarks, the presenters asked the audience to remember that two things were true: the last few years have seen unprecedented progress, with five countries reaching the 95/95/95 targets and a sixth to come, TB case finding surging, Dual AI nets becoming widely available, RSSH funding and impact higher than ever. At the same time the partnership and the populations it serves are facing unprecedented challenges, with the rise of an international anti-right movement, the closing of civic spaces, reduction in fiscal spaces, and the emerging threat of resistance. All combine to keep us off track to SDG 3, despite major progress across thematic areas.

### PRIMARY GOAL: HIV, TB AND MALARIA

#### HIV

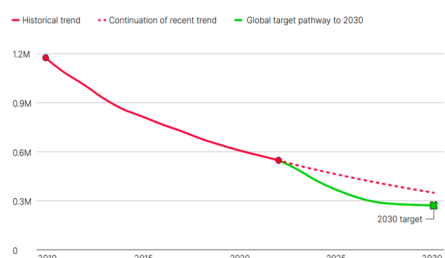
## While some countries are reaching HIV epidemic control, the global targets are off track

*Very strong progress on reducing AIDS-related deaths in countries supported by the Global Fund. However, in 2022, there were 507,000 deaths globally due to AIDS related causes. Progress is mixed, varying significantly between regions.*

*New HIV infections are lowest in decades but off track to meet global target. Progress by geography is mixed. Most significant reductions in new HIV infections were in Sub Saharan Africa. Beyond SSA, reductions have been modest/variable. Alarming increases in new infections in some regions/countries.*

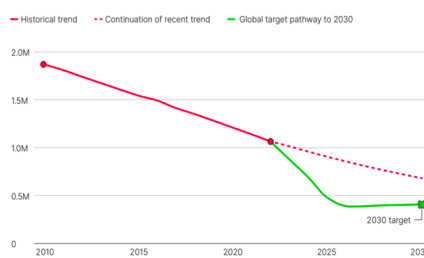
#### AIDS-related deaths: progress towards the UNAIDS target

In countries where the Global Fund invests



#### New HIV infections: progress towards the UNAIDS target

In countries where the Global Fund invests



THE GLOBAL FUND

\*Continuation of recent trend projection is based on the continuation of 2017-2022 trends. \*Global target pathway to 2030 is based on the target from the 2023 UNAIDS Global AIDS Update. Countries eligible for Global Fund support in 2022.

Figure 5 - Progress to the 2030 HIV targets

The presenter painted a picture of uneven success in HIV. The world is not on track to the 2030 targets, but it does not appear to be too late yet to change path. On prevention, there are progresses across the board, thanks in part to new tools, but also obvious gaps in coverage, especially among key populations and AGYW. The new tools, like ARV-based prevention, bring the question of choice, or ensuring that people are empowered to make the right choices for themselves.



On treatment, continuous rise of global numbers and of the age of people on treatment, which is great news, and no decline in ARV needs should arise before 2050. The expansion of treatment is thanks to ongoing effort to lower price – 90% of adults in LMIC have access to generic dolutegravir. The Global Fund represents 25% of the pool procurement markets, creating partnership benefits and facilitating alignment. Some of the issues arise on the targeting of interventions at the sub-national level, still too rare.

On diagnostic, the years since 2020 have seen a revolution. Rapid Diagnostic Test and self-testing have been rapidly rolled out during Covid-19 and these innovations are now part of our arsenal. A major issue remains to reach men, who on average when missed infect three women.

## TUBERCULOSIS

### While there was a rebound in 2022, global targets remain off track

The disruption of COVID-19 on TB services was severe and the estimated 10.6 million people with TB in 2021 *increased* 4.5% from 2020 and 1.6 million people died from TB (including 187,000 HIV positive people).<sup>1</sup> Preliminary data from 2022 indicates a rebound from COVID-19, and while C19RM allowed for additional investment of US\$400 million, there is a significant funding gap to reach ENDTB targets.



Figure 6 - Progress towards the 2030 TB targets

The presenter opened repeating the good numbers from the WHO 2023 Global Tuberculosis report, which showed that in 2022 there had been the highest ever number of reported cases, and highest ever put on treatment. This was accompanied with a drastic drop in mortality, from 1.6 to 1.3 million in 2023. Despite these optimistic figures, the presenter underlined that the world remained off track to the 2030 targets. Progress is slower on MDR TB and in pediatrics, with case notification among children barely reaching 50%. On prevention, Tuberculosis Preventive Therapy (TPT) is still too rare. Covid-19 had a severe impact on TB, and C19RM has played a pivotal role, allowing for commodity support, but also innovation with the rapid expansion of digital technology in diagnostics and treatment monitoring. Part of the progress can be attributed to the rapid evolution of guidelines to follow technology, with the WHO ensuring that new tools are rapidly integrated.



The presenter highlighted however that important gaps had been found in the Funding Request for GC7, with PAAR for TB interventions above one billion, mostly for essential commodities and diagnostics. It is a worrying figure, but also one that betrays the ambition that country now have for their TB program – Nigeria for example aims to double its case detection rate.

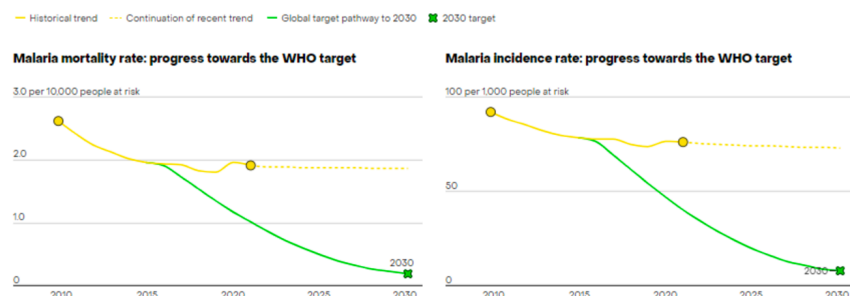
Countries are also prioritizing quality care in their Funding Request, especially on MDR TB – whereas 4 years ago most people would be offered 24 months of daily injections, a cure rate of 50%, and common permanent side effects, now treatment for MDR TB has been cut to 6 months, all oral, 85% success rate and significantly less side effects.

The presenter also highlighted that global TB success meant success in high-impact Asia. Whereas before Covid-19, the region was progressing well with treatments number up from 3 to 4 million from 2014 to 2019. Covid-19 brought that number back to 3 million, but thanks to major scale up in 2022, we will reach 5 million by the end of the year. It had taken five years to go from 3 to 4 million, but it took less than two to go from 3 to 5 million after Covid-19.

## MALARIA

### We are *off track* on Global Technical Strategy\* for Malaria

By 2020, key milestones for reducing malaria cases and deaths **had not been achieved, but milestones for elimination and prevention of reestablishment had been met**. By 2021, Global malaria case incidence was 59 cases per 1,000 population at risk, against a target of 31 cases per 1,000 – **off track by 48%**



\*The Global technical strategy for malaria 2016–2030 was adopted by the World Health Assembly in May 2015. It provides a comprehensive framework to guide countries in their efforts to accelerate progress towards malaria elimination. The strategy sets the target of reducing global malaria incidence and mortality rates by at least 90% by 2030

Figure 7 - Progress towards the 2030 Malaria targets

The presenter opened on a positive note, highlighting the major progress of Malaria control over the past 20 years, especially when considering the counterfactual. Yet, progress had plateaued in 2017, and we are now completely off track to the 2030 targets.

The Partnership has progressed across its Malaria KPIs, but that progress has not translated into infections and deaths reductions, because of a combination of weak health systems, conflict in



endemic countries, population growth in affected areas, climate change and competition for resources at the country level.

Now there are, in addition to these challenges, the rising biological threats looming over Malaria programs. Unique to Malaria, they come from both the mosquitos and parasites. On the mosquito side, the last five years have seen growing insecticide resistance, leading to the need to adopt Dual AI nets, which forces tradeoffs between effectiveness and coverage. On the parasite side, the looming threat of artemisinin resistance threatens all progress – it is still a few years out, but there is as of now no alternative. These dual threats will require a proactive response and further innovation.

In response to these multiple threats, the Secretariat recommends a change to the partnership's risk appetite on Malaria from high to very high (further discussed during the risk session).

The presenter concluded on a call for action on Malaria, with one message: the world stands at a critical juncture for Malaria, at the nexus of general and specific challenges, and the time to address them is now.

## DISCUSSION

The delegations asked questions around the following themes and issues:

The three diseases:

- Stress the ongoing challenges in HIV of the anti-rights movements, and willingness to see more proactive engagement on the issue by the Secretariat.
- Several delegations stressed the need to better integrate HIV and TB programs with other STDs, and to roll out testing innovation in HIV as a response to ongoing criminalization.
- Delegations welcome the frank presentation of the Secretariat on Malaria and several expressed deep concerns at the rising funding gap. The added challenges for migrants and displaced people, and several mentioned the hope in the impact of the new vaccines, and the need to be ready for scaling up efforts in that area.
- Several delegations highlighted the large gaps in pediatric case finding and care across the three diseases.

Prioritization:

- Stagnating resources should foster stronger integration and a focus on core priorities, with close collaboration across programmatic areas of the Global Fund (ATM and RSSH), and between implementing partners and funders.
- Most delegations reiterated the importance of civil society and community support despite the need for prioritization, making clear that their full engagement was central to the competitive advantage of the Global Fund.

Market shaping:



- Congratulation to the Secretariat on major milestones for the NextGen Market Shaping.
- Some delegations highlights the importance of new Standards Operating Procedure in procurement to allow for more flexibility and faster adoption of innovation.

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## MUTUALLY REINFORCING CONTRIBUTORY AND EVOLVING OBJECTIVES

### COMMUNITY, RIGHT AND GENDER (CRG)

The lead of the CRG team in the Secretariat announces the departure of Kate Thomson, to be replaced as the head of CRG by Vuyiseka Dubula. The announcement is met by a lot of sharing of appreciation for the work and dedication of Kate.

The presenters share overall encouraging progress on CRG KPIs, as stressed in the TRP report, and discuss their priorities for the coming year: The promotion of Community-Led Monitoring (CLM), gender transformative responses, gaining a deeper understanding of the source of health inequalities and their remedies, and ongoing challenge to human rights barriers.

They also highlight the essential role of strategic initiatives and matching funds to foster an empowering environment, and the need to prioritize the safety of implementers, especially CHW in Challenging Operating Environments. They also talk about the importance of technical assistance provision on the ground to strengthen community engagement, as well as of raising and mainstreaming CRG within the Global Fund Secretariat itself, and reaching out to partners for support on the tackling of the human rights crisis and threats to LGBTI+ people. The presenters highlighted the close correlation between disease burden and rights violation across the Global Fund portfolio.

### DISCUSSION

The delegations asked questions around the following themes and issues:

- Most delegations shared the CRG team concerns with the rise of anti-rights movement globally and reaffirmed their commitment to putting communities at the center, as articulate in the Global Fund Strategy, and pushed for the Global Fund as the largest funder of global health to do more to use its diplomatic voice to fight the global pushback against human rights.
- Safety and security concerns: several board members argued for more visibility on how these priorities are addressed, and in particular how much resources are dedicated to them.
- The importance of providing more options in service delivery to empower vulnerable populations and ensure use of services, facilitated by innovation and new tools.
- Looking forward to a reflection on the impact of the Community Annex and how the tool can be strengthened.
- The better integration of CRG intervention within national budgets was linked to the need for STC review.



## THEMATIC UPDATES

Following the CRG presentation, the Secretariat gave three shorter thematic updates on RSSH and PPR, Health Finance and NextGen Market Shaping.

### RSSH & PPR (INCLUDING C19RM)

The presenters opened their remark by reminding the participants that the Global Fund was the second largest funder and the largest grantor for Resilient and Sustainable Systems for Health. RSSH is prioritized in multi-cycle funding to allow countries to be strategic with their investment. With the retooling of C19RM funding which made available almost USD2 billion for RSSH and PPR, the issue on RSSH has not been investment size but impact, and there are indications of definitive improvements in GC7 from GC6.

They did note however that a number of challenges remained, on monitoring and finding the right indicators, grant integration with HIV, TB and Malaria programs, and lack of entities with adequate implementation capacity. 15 countries are now targeted for Technical Assistance on RSSH to address some of these challenges. Despite the challenges in managing these investment, the presenters highlighted that RSSH was the backbone of HIV, TB and Malaria and PPR programs, regardless of whether the funding channel was GC7 or C19RM.

### HEALTH FINANCE

The better integration of health finance in the Secretariat was one of the outcome of the adoption of the new strategy. The team talked about their main challenge, the limited and shrinking fiscal space faced by many implementing countries, under pressure in particular because of high debt servicing obligations. Nevertheless, the team works across a wide range of issues, on implementing co-financing, supporting DRM advocacy, in partnership with the African Union (AU) on regional coordination and fulfilling of regional targets, on scaling up sustainability planning for HIV, TB and Malaria and better integration of sustainability in risk management.

### NEXTGEN MARKET SHAPING

The Secretariat presentation focused on showcasing some of the key examples of success from GC7, and highlight successful collaboration and partnership with UNITAID. The NextGen Market shaping efforts are cross-cutting in nature, looking at access, affordability and availability as well as supply security, country capacity building and last mile delivery.

Standardization and volume guarantees allow for saving in country programs that can be reinvested outside of commodities – the presenters gave the example of Pakistan, Malawi and Vietnam where millions were saved on GenXpert, Dual AI nets and Bedaquiline and reinvested in country.

## DISCUSSION



The Board members focused on the following elements and themes in their questions to the Secretariat:

#### RSSH

- Several delegations noted ongoing concerns with the quality of RSSH investment, though welcomed the improvement from GC6 and in particular the transition towards less system support and more strengthening.
- Question on the right definition of RSSH, to clarify potential overlap with PPR and UHC, and how it can be best measured, with some delegation linking this question with the FGHI and the need for more coordination across GHIs; some related confusion was stressed around the language used to discuss RSSH, and in particular the lack of clarity in many discussions between direct RSSH financing and contributory financing.

#### Health financing:

- Some delegations highlighted the importance of better integration of CHW, PIH and prevention in national budgets.
- In addition of the shrinking fiscal space, some delegations added that the rise of international tensions and polarization led to further threat to funding, sharing that “when taking sides, you sometimes lose financing”.

#### NextGen Market Shaping:

- Congratulation of the Secretariat on the successes highlighted, stressing that the strategy achieved price reduction in an inflationary context.
- Several delegations stressed the need to address stock outs as an essential part or both the NextGen Market shaping, and prioritize resilient supply chains.
- The importance to pair market shaping with local production was also highlighted.

The Secretariat focused its reply around coordination, measurement and evaluation, financing, RSSH and market shaping.

**Coordination:** The presenter admitted that more could be done, but highlighted that the plan was to enhance coordination, prioritized engagement with partners in an intentional way. Focusing in particular on implementation arrangement, to lead on CHW engagement, on surveillance, and link departments on these bases.

**Measurement and evaluation:** The Secretariat shared the inherent challenges in measuring health systems as a whole, and the primary health systems in particular, but stressed that indicators were easier to identify for CHW, for pandemic response systems, etc. In other words, whereas measuring RSSH or UHC was difficult, the parts could be measured separately as a comprehensive set of indicators. With the support of Technical Assistance focused on data gathering, over the long-term measurement would improve.



Financing: Echoing several questions around CHW financing, and health workforce financing more broadly, the presenter highlighted some lessons learned towards better alignment with country-owned systems.

RSSH: The Secretariat clarified that though there were direct RSSH grants, they were 11 out of 292 grants in GC7 and represented less than 4% of the portfolio, that nearly all RSSH reported by the Global Fund was contributory, weaved in HIV, TB and Malaria grants. Though reporting was separate on absorption, thanks to the way budgets were structured, that did not mean the grants were separate. Similarly, there were no separate Principal Recipients (PR) for C19RM grants, to limit risk.

Market shaping: The presenter congratulated partners on collective successes offsetting inflation. They also stressed that regional manufacturing was an area of active engagement, but stressed that benefits would come over the long term, and efforts needed to be mindful of risk appetite and broader governance discussions. Regarding sustainability metrics, the presenter shared their view that it would require a deep reevaluation of priorities and financing model for the partnership.

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#### CLOSING DISCUSSIONS – LOOKING AHEAD

The chairs made short closing remarks summarizing the discussions of the day, stressing the rising challenges, the risk of resurgence, rising discrimination, shrinking civil society space, debt burden, shifting donor priorities away from HIV, TB and Malaria, and the need for greater attention and resource to finish the job. This left three questions for the board: Looking ahead, how to tackle the challenges of achieving the SDG targets? What specific challenges can be best addressed by the Global Fund? And how can the partnership reaffirm our values and ways of working?

At the core of the discussion of the day was a broad agreement on the targets and objectives, but hesitations on the best way to prioritize in the face of limited resources. The partnership is pulled in opposite direction: to do everything and to prioritize. Funding gaps are somehow expected to be solve via collaboration and coordination, or the solution is to trust civil society rather than governments, or governments rather than civil society. And the partnership needs to address and resolves these tensions one at a time. The chairs reminded all that the board was not a diplomatic space, where one wishes or calls for things to happen, because the Global Fund was an operational actor, which needed to rise to the level of the fight as it actually happened.

The Executive Director then took the floor to thank the board to be willing to engage with these tensions and resolve them, and provide countries with impact, stressing that some tensions the partnership could address by itself, others it had no control over.

#### BOARD MEETING DAY 2

#### OIG MID-2023 PROGRESS REPORT



The OIG presentation went through a summary of key themes address in the report.

**Operational environment:** The OIG stressed the rise of multiple threats, including climate change, political instability, legal barriers targeting key populations and wars, all leading to a state of flux difficult for implementers to navigate and distracted attention way from health.

**Program impact:** Reporting back from country visits, the OIG commended the vast evidence of the impact of the partnership, stressing in particular the successes of TB programs in 2022. It regretted however the ongoing challenges in the fight against Malaria, with deaths still rising, and argued that external factors could not fully explain the lack of progress, that design and implementation needed to improve as well.

**RSSH:** The OIG reiterated the challenges of RSSH implementation, and the fact that dedicated RSSH team would need time to find the right levers for timely country implementation.

**Supply chain risks:** The presenter stressed that risk remained high but that indicators were now going in the right direction thanks to active investment. Audits found positive outcomes at the country level.

**Risk management framework:** The OIG stressed that additional work was necessary to guide the country teams through the tradeoffs of program implementation, and that the current risk framework was still sometimes falling short. It welcomed Board, Committee and Secretariat combined oversight to support the country teams.

**Internal processes:**

- The OIG reported on the audits underway and the management of allegations, stressing that high volumes – 400 investigations in 2023 – now required prioritization in which should be investigated, focusing on highest impact and lessons learned. In particular there was a noted rise in the number of Sexual Exploitation, Abuse and Harassment (SEAH) complaints, seen as a sign that awareness was rising.
- The close collaboration of the OIG office with the new Independent Evaluation Office to identify synergies and split responsibilities, and with external auditors (KPMG, UN auditors and national oversight mechanisms).
- Audit Management Actions (AMAs); an increasing number are remaining, as reflecting in the OIG report, but the presenter reassured the Board that in a context of high workload and pressure, the choice not to prioritize all AMAs for closure was done in close collaboration between the Secretariat and the OIG, and that a number of the ones remaining open were probably out of date.

## DISCUSSION

The following themes were focused on during the discussion:

**Monitoring and oversight:**



- The growing numbers of open AMAs was noted with concern by several delegations.
- Some delegations stressed the importance for the partnership to prioritize CLM, and to ensure that adequate funding for CLM was channeled through community-led organizations to ensure adequate capacity building.

#### Program impact

- Several delegations highlighted the risk of CRG intervention and program quality being the first victims of talks of trade-offs, and requested more details on how to mitigate this risk.
- The need to strengthen pooled procurements, in particular the bamboo platform, was stressed.

The OIG presenters provided the following answers:

On SEAH and the treatment of complaints, that they were business as usual, mainstreamed, dealt with quickly and professionally. The increase was to be expected considering the contexts in which the partnership works. Common themes in reports include late reports, and fear of implementers to speak up because of risk of losing funding.

The Secretariat took the floor to further address some of the questions:

On AMAs, the presenter stressed that audit reports always lead to AMAs. The number always increase, and is a function of the number of audit reports. Closing them presents challenges – for example in Ukraine a number of AMAs that need closing, but other priorities take precedence. And since most AMAs are at country level, they cannot be addressed and closed by the Secretariat alone, the PRs and CCMs need to be engaged – and again, it can strain capacity.

On RSSH implementation, the presenter shared that success was easiest where countries took ownership, because health system accountability could not be outsourced.

On cooperation with country oversight agencies and mechanism, the presenter stressed that there were risks to take into account, stressing the case of Kenya where oversight gaps in the country led to large and systematic misuse of funds.

## RISK MANAGEMENT AND APPETITE STATEMENT

### RISK MANAGEMENT REPORT

The presenter gave a rapid overview of the key highlights of the Risk Management Report, stressing the high level of uncertainty across the portfolio and the secretariat's tools to manage and adapt. The key question presented to the board regarded the situation of the Malaria programs, where risk was elevated, and barring exceptional action would miss the deadline to come down to the set risk appetite level. The Board was asked to extend that deadline and increase the risk appetite of the partnership for Malaria.



The decision point suggested to set the target for risk to come down from “very high” to “high” by December 2025, and the presenters made clear that this new timeline was too far away for the Secretariat to be confident it could be hit, and the objective was to set a baseline to be reviewed again by the board as it drew close.

The presenter stressed that though the partnership could tolerate certain types of risks to remain elevated, like financial risk, it was essential to bring down program risk – hence the importance on maintaining a deadline. Programmatic, procurement and financial risk, they further explained, presented trade-offs, and keeping risk appetite up was a way to ensure that program manager had agency to address these trade-offs.

## DISCUSSION

The following issues were raised during the discussions:

Trade-offs:

- Was the right data available for the partnership to make informed choices.
- Emphasis on partnership with UNITAID to diversify treatment and limit resistance.

Malaria:

- A number of delegations shared alarm over the USD1 billion dollar funding gap in Malaria, and stressed the need for a change of approach and rebalancing medical interventions with CHW and other CRG-based programs better able to reach the most vulnerable, especially in Challenging Operating Contexts.
- Board members asked for a mid-term review, pointing at the importance of staying realistic and ensuring there was a way out of the temporary.
- Some requested for more visibility on the impact of the Malaria vaccines rollouts.

HIV

- Residual risks should include the global contraction of rights and elevated risks for AGYW and Key Populations.

## UPDATED GLOBAL FUND APPROACH TO BLENDED FINANCING

The Board was asked to approve a revision to the Global Fund’s approach to blended financing, covering the development, review, approving and implementing of these transactions, on the basis of feedback from the Audit and Finance Committee and to bring the approach in line with the 2023-28 strategy.

The presenter reminded the definition of blended finance used by the Global Fund, the combination of Global Fund grants with other sources of financing from other actors, typically



loans from multi-lateral development banks – in practice 88% of the Global Fund blended finance projects are implemented with the World Bank.

The presenter summarized the new approach as having five key pillars:

1. Applying new and more rigorous and standardized standard operational processes (SOPs) to develop, review, approve, and implement blended finance transactions, so that the Secretariat is able to carefully consider risks and risk-tradeoffs.
2. Understanding and setting clear expectations for partners
3. Undertaking a due diligence assessment for all new partners with whom the Global Fund will engage in blended finance transactions, leveraging the current understanding of the World Bank's approach as a reference point.
4. Clarifying the role of the OIG in the context of blended finance transactions.
5. Defining the materiality and expected ambition under which the new blended finance approach will be used.

## DISCUSSION

The following themes were the focus of the discussion:

### Blended finance

- Several delegations highlighted the need for clarity regarding the source of the funds that the Global Fund would provide to enable blended finance schemes.
- Questions regarding which countries would be eligible for blended finance, and whether current level of indebtedness would be considered.
- The role of the TRP / CCms: as some blended finance scheme would be initiated outside of the 3-year funding cycle, whether they would be designed and reviewed using the same mechanisms as regular grants.

The secretariat provided the board with the following answers:

- The settings for loans would be adapted to each situation, but partnership with the World Bank was a key tool to ensure that Global Fund priorities would be embedded into existing loans.
- Blended finance always originates at the initiative of governments, so levels of debts are not a key issue; and the concessionality can always be adapted. But they would not be an adequate tool in all contexts.
- The Global Fund evaluation function would ensure that value was added by blended finance, and the OIG will add finance into its evaluation universe. The TRP, CCM and other Global Fund mechanisms are all used as due diligence to ensure in particular adequate integration of key populations.



## CORPORATE WORK PLAN AND OPEX BUDGET

The workplan and operational expense (OPEX) budget were approved by the Board as proposed. One key difference with previous budget was the integration of CCM evolution and CRG into operational expenses, and out of the Strategic Initiatives (SI).

## SUPPLY OPERATIONS & QUALITY ASSURANCE POLICY

The chairs of the Strategy Committee explained that the Secretariat's Quality Assurance policy was the key to guarantee adequate supply security and quality. The issue received increased levels of attention after Covid-19 and the supply chain challenges that arose in its wake. The chairs stressed that the Global Fund defers to the WHO Quality Assurance tools and processes, and more broadly follows the WHO for leadership and guidance.

The Secretariat explained that Quality Assurance policy had several objectives, including equity, the promotion of regional production, quality, timely delivery, value for money. The partnership with the private sector played a key role for its success and that of the market shaping strategy more broadly.

The new policy more closely aligns with recognized reliance mechanisms, so that less has to be done in house, and aims to harmonize procurement, to facilitate pooled procurement. The key issue with the current policy was that it was developed at different times for different types of products (protective products and treatment products). The decision point presented to the board will harmonize across product type and be a first step towards a new Vector Control Products policy, and eventually medical device policy.

## DISCUSSION

The following themes emerged in the discussion with the Board:

### Procurement

- The flexibilities built into the new policy were stressed by some delegations, who welcomed the possibility of sourcing from a broader range of producers.
- Questions were asked regarding the cost of implementation of the new policy, and the cost of deployment at the country level.

### Partnership

- The Secretariat was commended for following the leadership and technical input from WHO.
- Several delegations shared their support for approval on a regional basis, and the Africa medical agency initiative.

The Secretariat provided clarification regarding eligibility, sharing that the criteria were also being reviewed and expanded to allow more flexibility for countries in transition.



WHO added that 35 countries were expected to be on the WLA by the summer of 2024, with fourteen benchmarking audits planned.

The decision point was adopted.

## CO-FINANCING

The Secretariat gave a short presentation regarding the current STC policy, implemented since Grant Cycle 5. The presenter stressed the number of levers detailed in the policy to reinforce different drivers of sustainability, and the challenges to the policy – sustainability is both complex and very political. The challenges noted in the OIG report were noted by the Secretariat: need for more precise tailoring to country context, and some issues around the data production and collection to inform implementation.

In GC7, the presenter added, co-financing risk was integrated in the risk framework, at the heart of the Global Fund, to provide the right incentives to focus on co-financing. In addition, there was new investments to improve data collection and monitoring around the STC policy.

## DISCUSSION

The discussion focused on the following themes, with delegations supporting a review of the STC policy, and others changes within the current framework.

In favor of a review:

- The current policy does not strike the right balance between responsibility and accountability. There needs to be a better framework to unpack political, financial, and programmatic sustainability.
- Visibility on transition is essential for countries, and a review would bring clarity.
- Countries are facing requests from many development partners to provide co-financing, creating a strain on their available resources. Better alignment would allow for streamlined processes.

In favor of current policy:

- No need to change what is not broken; the STC policy as it stands works well.
- Changes in country ownership included in the new strategy should be supported with improved data.
- Transition issues have to do with political will in country rather than the Global Fund STC policy; unless average domestic investment and co-financing commitments across the board go up, there can be no progress on transition and sustainability.
- A review of the STC policy would require resources from the Secretariat to match the increase in workload, and the teams are stretched.

The response of the Secretariat stressed that the issues around transition and co-financing had roots beyond the policy. It was stressed that there were inherent tensions to the sustainability



discussions between different actors who had different incentives and objectives, and that the key to moving forward was an acknowledgment of these inherent tensions. There is a need a clarity, the presenter added, on where external finance should and shouldn't be focused, and whether it should come in the form of grants of concessional lending.

The presenter added that we needed to be realistic – expecting all countries to have sustainability plans was not always the best use of resources (see Myanmar, Sudan, Pakistan). For all countries, these represent a significant effort, not something that can be done with off the shelf data.

### STRATEGY OVERSIGHT: CLIMATE AND HEALTH

The session opened with comments from the Strategy Committee, stressing that the Global Fund Secretariat's concern with climate change was a welcome development, and a necessary one. That was not a new mission, or a mission outside of its mandate, but a problem faced by everyone that had to be addressed, and had very practical implications in Global Fund programs – via an impact on nutrition, disease vector, and more.

Worst, the countries least responsible were more starkly affected. The WHO estimates already 250,000 excess deaths due to climate change, via a combination of, among others, nutritional challenges, heat stress, vector changes and increased migration.

The largest and most direct impact on Global Fund programs will be in its Malaria portfolio, where it will affect transmission, vulnerability and vector reproduction. These issues will be found across all mosquito-borne diseases.

On HIV & TB, the impact will be of second or third order, via increased movements of people, air pollution, and poverty. And the same systems that the Global Fund supports on the ground will be dealing all of these effects: heat deaths, infectious diseases, and climate-related disasters. We will also see faster emergence of new pathogens; Covid19 was the first but not the last.

The Global Fund is de-facto already engaged in climate change adaptation, with the bulk of its funding going to the most affected countries, especially in Malaria where the share is 87%. And the new strategy already includes it, and provides a range of tools.

Some elements of response already put in place, via the inclusion of mitigation in Global Fund programs, a close partnership with UNPD's climate change teams, and an effort towards solarization. A common principles documents was also presented at the African Climate Conference.

Health will be at the center of the COP28 discussion, for the first time, and efforts engaging heads of states and ensuring continuous civil society engagement will hopefully keep health onto the climate agenda – but the Global Fund needs to be clear on what it tries to do.

### DISCUSSION

The discussions focused on the following key themes:



#### Climate Change engagement

- Board members welcomed the additional engagement of the Global Fund on the topic, and saw adaptation efforts on health to fall squarely within its mandate.
- Warning that the Global Fund trying to shape the global agenda on climate change and health is an ambitious goal that could fall outside of the Global Fund mandates.

#### Approach and priorities

- Integration of key populations, impact on disease spread and on conflict and violence needs to be clearly integrated as part of the approach.
- Ensure that countries are not sliding back because of the impact of climate change, especially on Malaria in countries where it has been eliminated.
- Need to reappraise the Global Fund approach to emergency funding, as the increased frequency of disasters will strain current funds.
- More closely integrate environmental ministries in discussions.
- Need for new Technical Assistance focused on climate change and health, perhaps in partnership with the WHO.

The Secretariat covered the following points in its response:

- On alignment across GHIs, there was no barriers created by current policies.
- On supply operation, net zero goals could come at a cost, and one has to be aware of trade-offs, because decarbonization is costly.
- The Secretariat will come back to the Board for guidance on their approach, and ensure that they are not expanding too far, and in particular neither supporting health-washing of climate programs or taking away funding from the climate response.
- The Global Fund has signed an MoU with the Green Climate Fund, on how to support adaptation for Climate and Health. In parallel, the Secretariat is exploring implications for NextGen Market shaping priorities, whether to align on UNITAID climate strategy, and how to action guidance from WHO.

#### STRATEGY OVERSIGHT: COUNTRY COORDINATION MECHANISMS

The chairs of the Strategy Committee open the presentation to highlight four areas of concern for its CCM Working Group:

- Representation: An ongoing concern, despite continuous improvements. A key tool here is access to Technical Assistance.
- Decision-making: There are damaging power dynamics among members, between members and PRs, and with the GFS teams.
- Differentiation: The approach has both advantages and disadvantages. There are over 117 CCMs covering a wide array of contexts, with all combinations of HIV, TB, Malaria and PPR



programs, and differences across regions. In that respect, tailoring is essential – and should go even further to account for countries with low centralization, and distinct provinces. At the same time, the Global Fund has to provide some guidelines and ensure representation and fairness in decision making.

- Monitoring: Stronger monitoring is the key to progress, and CCM members need to be able to develop the skills required for effective monitoring from within.

The Secretariat stressed that tension between CCM autonomy and control, and the Global Fund's priority, and that this tension was an integral part of country ownership.

## DISCUSSION

The following themes were raised by the Board Members:

### CCM ways of working

- Ongoing issues with the unbalance in CCMs; issues of representation, especially outside of HIV. Who is sitting in the civil society seats in particular is always an issue.
- Importance of distinguishing issues of representations with that of power imbalance, as they have different causes, effects and remedies.
- Youth council is one tool available to the Secretariat to improve youth engagement in the CCMs, which is lacking across the board.

### CCM Evolution

- Suggestion by some delegations to integrate mediator in CCMs to support conflict resolution and rebalance power where and when needed.
- Integration into OPEX: seen as a positive, but several delegations want to see clear plans after 2024, and warn against declining funding.
- Danger of pushing too much responsibilities onto CCMs and stretching them without additional resources and strengthening.
- Risk around transition: after the partnership leaves, the Board needs to know whether CCMs are retained and remain functional.
- Promotion of CCM engagement with other funds and donors, including the Pandemic Fund.

The Secretariat addressed these comments with the following points:

- The CCM are unique in the diversity of voices they include and the representation they give at the country level. Some FGHI papers suggest to weaken or close them in the name of country ownership, we think our approach to them must be careful.
- Technical expertise levels vary across CCMs and within CCMs, and its an issue we are working on, but takes time.



- All the challenges in the way of working within CCMs, power imbalance etc, are observed by the Secretariat as well. The question is one of lever: the Global Fund does not sit on the CCMs, only sometimes as observers. It's a balancing act.

#### UPDATE ON RESOURCE MOBILIZATION

The presenter highlighted the challenges for the upcoming 8<sup>th</sup> Replenishment presented by the competition of other replenishment, and the importance for the Global Fund to align with other GHIs, and coordinate fundraising. The next Investment Case, taking these realities into account, will need to strike a balance between ambition and realism, and account for an unstable environment. It will also need to use complementary metrics to demonstrate the impact of RSSH, and how it supports and complete HIV, TB and Malaria investment. Co-financing will also be an important piece of raising enough resources.

The presenter gave an update on pledge conversion, which are on track, with 97% of pledges for the 6<sup>th</sup> converted, through 103 agreements with donors. For the 7<sup>th</sup>, 37% of public donor pledges have been converted, and nearly 100% for private donors.

The key to mitigating the risks for the 8<sup>th</sup> is to start early and remain flexible; the presenter highlighted the early engagement with advocates, donors and the search for a host country. The challenges they highlighted included:

- High levels of volatility, which will take flexibility to navigate.
- The failure of the SDGs, no clear path towards success, but too early halfway through to accept defeat, because without them there is no common goal.
- Broad stagnation in ODA, with competition from other sectors and rising demand.

#### DISCUSSION

The following themes were touched on by the board members during the discussion:

##### 8<sup>th</sup> Replenishment:

- Delegations expressed a diversity of views regarding the right balance between ambition and realism for the 8<sup>th</sup> Replenishment.
- The need for a holistic assessment of the resource need of the Global Health sector, and then of what the fair share of the Global Fund should be.
- Earmarks and set-asides were identified by some delegations as being an issue and a threat to the Global Fund core mandate.

##### Investment Case:

- Noting the little attention given to Pandemic Preparedness and Response in the presentation, will this be a part of the Investment Case, and how does the Secretariat see its relationship with the Pandemic Fund evolve?



- Importance for the Investment Case to clarify the coherence between GHIs, as it will be a priority for all donors.
- Highlighting the contribution of the Global Fund to RSSH should be a highlight of the next Investment Case.

#### MISCELLANEOUS - CRISES, EMERGENCY FUNDS, PRIVILEGES AND IMMUNITIES

The following points emerged during discussion inside and outside of the Board Meeting Room:

- Several delegations signed onto a joined statement to bring to the Board attention's the increasing challenge of multiple overlapping humanitarian crises, and the need for greater flexibility including for contexts not considered Challenging Operating Environments.
- There was a call from a few delegations for the Secretariat to work on Strategic Initiatives and Emergency Funds reform, to allow for top up in between replenishments if all funds were allocated.
- Privileges and Immunities: an ongoing challenge, a technical matter that blocks the Secretariat's work in a number of countries. The Secretariat made a call for lobbying of countries who had not yet ratified them.

The Board Meeting concluded with another homage to Kate Thomson, head of CRG, for her contribution, and to the Board members, the constituencies supporting them, the Secretariat teams, the Partners that supported the Global Fund's mission, and the thousands of people on the ground implementing its programs and working to end HIV/AIDS, TB and Malaria.