



COVID-19 RESPONSE MECHANISM

C19RM Monthly Update to the Board

Report for February - March 2023

Publication Date: 14 April 2023

Geneva, Switzerland

Executive Summary for February - March Report

- 1** **C19RM Portfolio Optimization Wave 1:** Awards: Following the Board decision on the extension of C19RM, the Secretariat reviewed and awarded C19RM Portfolio Optimization (PO) Wave 1 with US\$547 million awarded to 40 countries and one multicountry grant. Applicants are being notified of awards on a rolling basis. Strategic priorities: C19RM PO Wave 1 investments support the strategic shift towards longer term investments and respond to countries' needs. Awards prioritize RSSH interventions that simultaneously contribute to health system strengthening and pandemic preparedness – including laboratory systems and diagnostic networks, surveillance, oxygen and respiratory care, and Community Health Workers (CHW).
- 2**
 - a. Finance Update:** Cumulative disbursements of US\$1,825 million have been made (63% of the cumulative budget to 31 March 2023). However, proximal financial data (31 December 2022) shows in-country absorption remains at 37%, in part due to the decrease in demand for health products in the context of pandemic evolution. To align investments with the strategic shift to longer-term systems strengthening and pandemic preparedness, maximize implementation time and optimize fund utilization through 31 December 2025, an accelerated rebudgeting and reprogramming is underway .
 - b. Health Products Pipeline:** Health products pipeline represent 63% of C19RM 2021 awards. US\$489 million (US\$476 million as of January 2023) of COVID-19-related health products have been delivered through PPM with C19RM 2021 funds. The total non-PPM purchase orders reported through February 2023 was US\$242 million (US\$233 million as of January 2023).
- 3** **C19RM Portfolio Optimization Wave 2** is under preparation and aims to further scale up investments in priorities aligned with the strategic shift towards longer-term systems strengthening and pandemic preparedness including in surveillance systems strengthening, laboratory and diagnostics, and human resources for health (incl. CHW), integrate the Pandemic Fund and enhance synergies with GC7 investments. The Secretariat supports countries to make impactful choices across Pandemic Fund and C19RM to maximize alignment for pandemic preparedness funding streams.
- 4** **Operationalization of the C19RM Extension:** The C19RM Technical Information Note has been updated to reflect the shift towards longer term investments, as is the M&E Framework to ensure comprehensive and relevant reporting, monitoring and evaluation of C19RM investments, programming of which will be coordinated with GC7 resources. The C19RM Monitoring, Oversight (M&O) and Assurance Approach 2023-2025 has also evolved to meet the changing epidemiological context and investment priorities. TRP engagement in C19RM in progress with onboarding of leadership, Focal Points and Pandemic Preparedness experts.

Development of C19RM Monthly Reporting

The [January 2023](#) report provided updates on the C19RM extension and C19RM PO. This report covers key updates for February-March 2023 on C19RM PO and investment of additional funding, financial and programmatic performance, and the operationalization of the C19RM extension. These sections will continue to be updated in future reports and provide additional analysis of C19RM investments in line with the updated M&E framework, an overview of the Centrally Managed Limited Investments (CMLIs) portfolio and with a focus on community, rights and gender (CRG) dimensions.

Last Report

The last report provided key data points and thematic updates following Board approval of the C19RM extension and its operationalization:

- Update on the COVID-19 epidemiological situation
- C19RM PO and investment of additional funding
- Finance update
- Progress in operationalization of the C19RM extension:
 - Evolution from COVID-19 response to recovery, prevention and preparedness
 - Updates to C19RM Technical Information Note (TIN)
 - Updates to C19RM M&E Framework
 - TRP engagement in C19RM
 - C19RM M&O/E and Assurance
- Updates on Health Products Pipeline

This Report

This report presents key data points and thematic updates to the C19RM extension and its operationalization:

- C19RM PO Wave 1 - Awards Pipeline
- C19RM PO Wave 1 -Aligning Investments with Strategic Priorities
- Finance update and updates on Health Products pipeline
- C19RM PO Wave 2 - Preparation
- Progress on operationalization of the C19RM extension:
 - Key observations, challenges and lessons learned
 - Strategic actions to address challenges and lessons learned
 - Strategic risks and trade-offs

Subsequent Reports...

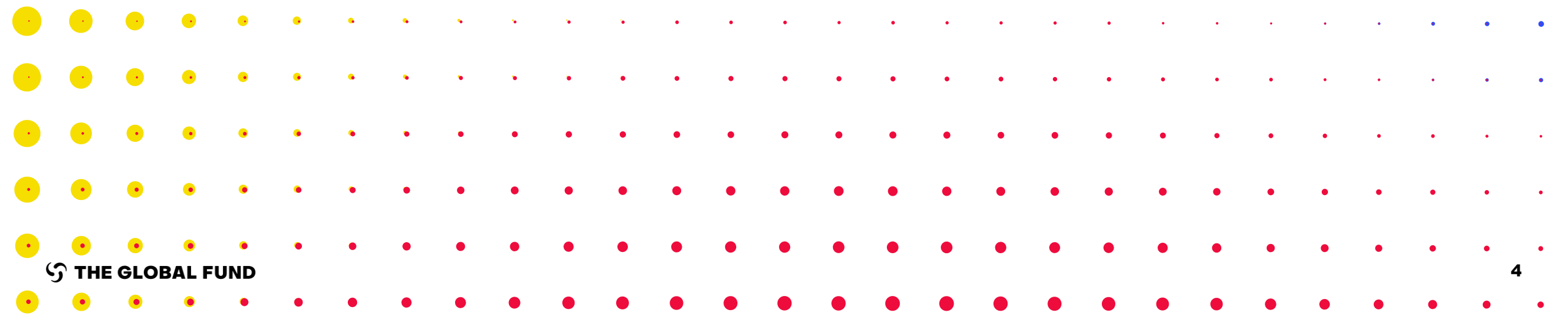
Future reports will be reshaped to align with the Monitoring, Oversight & Evaluation Framework (M&O/E), and operationalization of the C19RM extension to focus on:

- Progress on operationalization of C19RM extension
- C19RM awards, reinvestment and finance update
- CRG dimensions
- Strategic shift of C19RM investments to health systems strengthening and pandemic preparedness
- Global Fund engagement in Pandemic Fund
- C19RM M&O/E and assurance
- Updates on implementation, progress on CMLIs and country case studies
- Updates on Health Products pipeline, as relevant

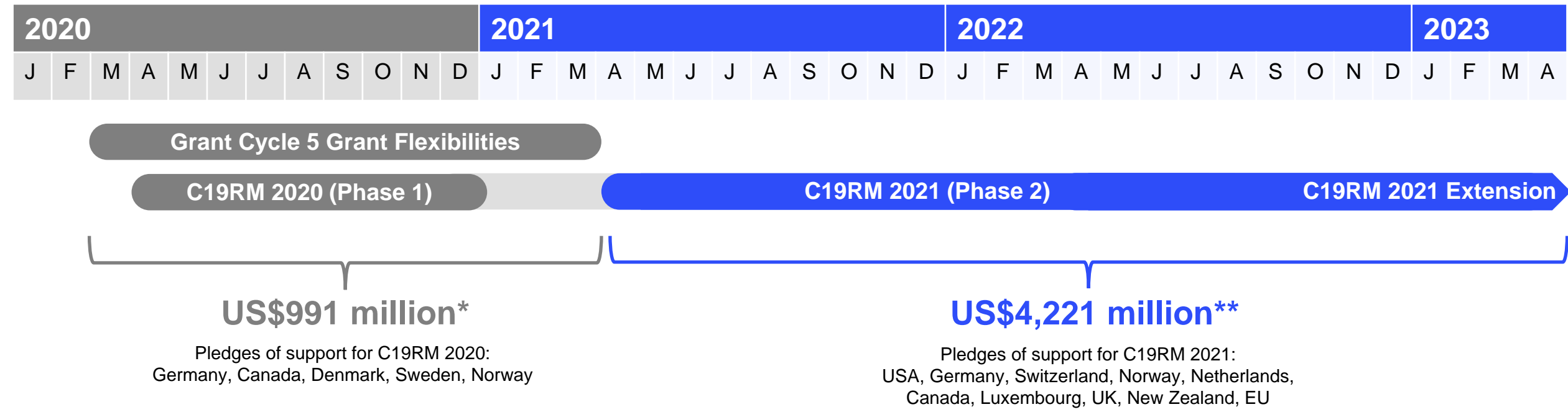


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C19RM PO Wave 1 - Awards Pipeline



COVID-19 Response Mechanism: US\$5 billion invested across three modalities



Data availability

Grant Flexibilities

Awards per country (grant)

C19RM 2020

Awards per country, board priority area and focused health products (Dx, PPE)

C19RM 2021

Awards per country, board priority area, intervention (strategic priority) and detailed health products

*US\$232 million grant flexibilities & US\$759 million C19RM Funds

**A portion of this amount has also been invested in CMLI and OPEX

C19RM 2020 & 2021 Awards Pipeline

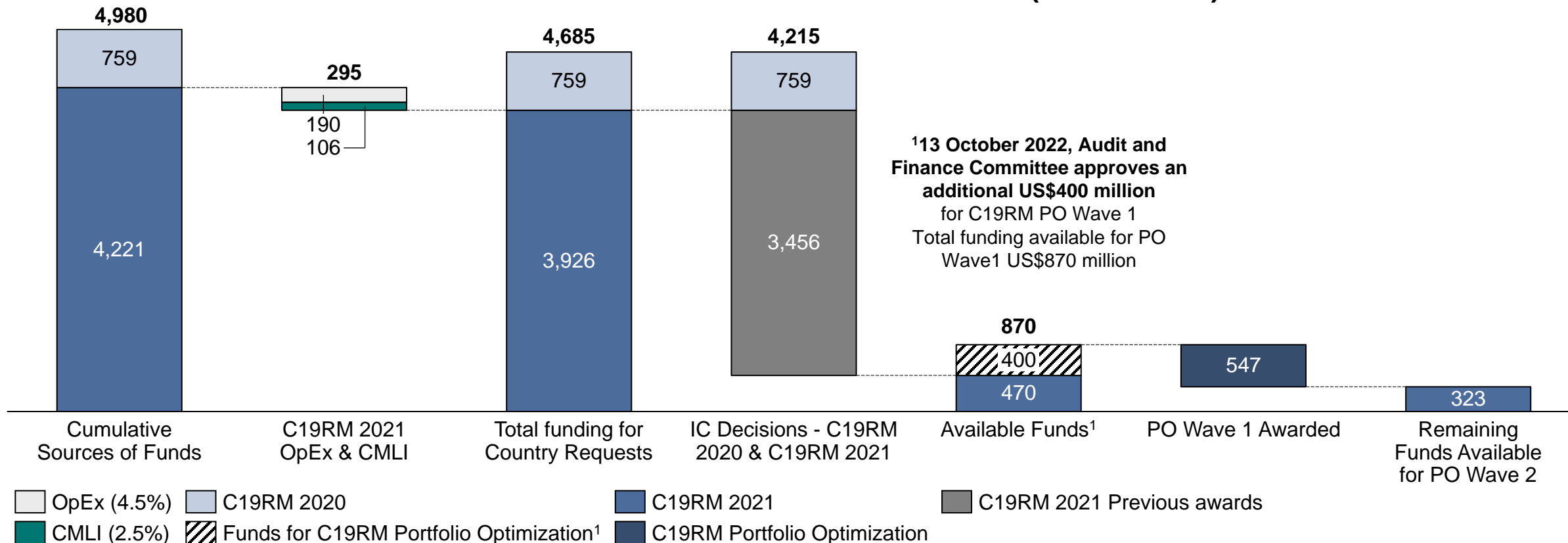


US\$4,762 million of C19RM 2020 and 2021 cumulative funding awarded to **125 applicants** for a portfolio average of an amount equivalent to **37% of the Grant Cycle 6 Allocation (GC6)**, excluding **US\$232 million of GC5 Grant Flexibilities**.

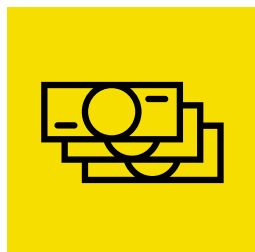
C19RM Portfolio Optimization Wave 1: 49 requests submitted for a total of **US\$1,700 million**.

- **41 applicants** were awarded funding for a total of **US\$547 million**. This includes **US\$420 million (pending Board approval)** for **12 applicants**.
- **8 applicants** did not receive an award.

C19RM 2020 & C19RM 2021 Awarded Amounts (US\$ million)

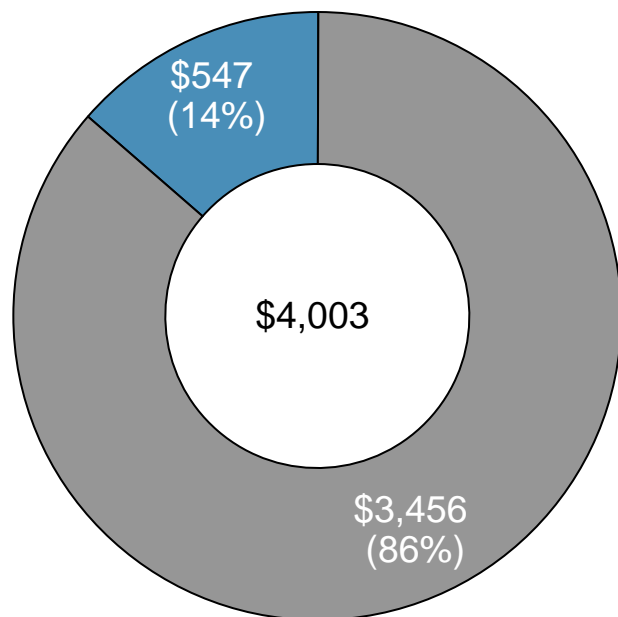


US\$547 million Awarded in C19RM PO Wave 1 (by region)



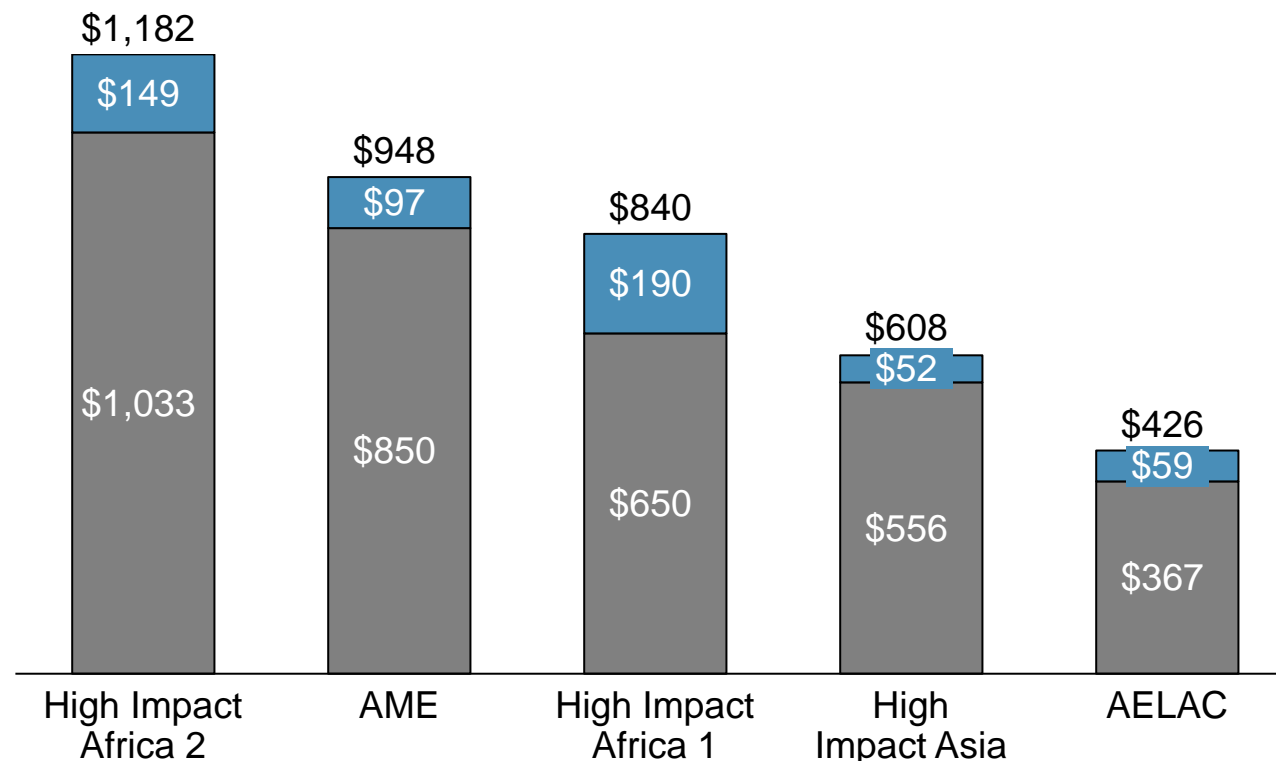
US\$547 million (including incremental HTM procurement and supply management costs) was awarded/recommended for Board approval under C19RM PO Wave 1 to **41 applicants**, an amount equivalent to **8.7% of their GC6 allocation**.

C19RM 2021 Awards



■ Portfolio Optimization
■ Previous C19RM 2021 Award (Fast & Full)

C19RM 2021 Awards by Region

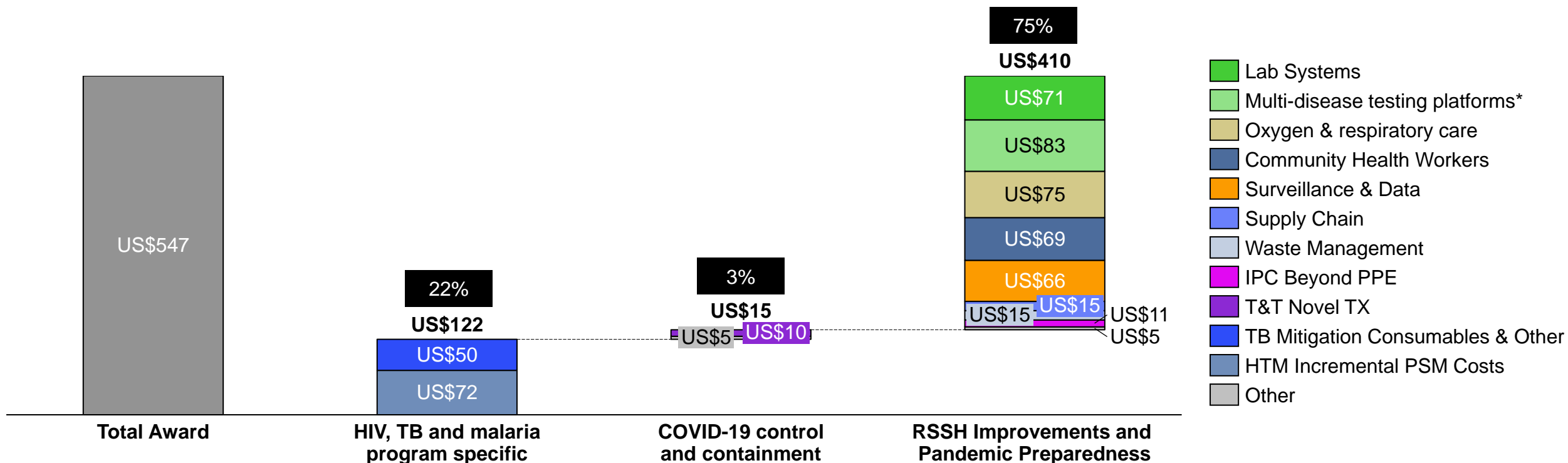


Investment of US\$547 million in Portfolio Optimization Wave 1: Reflects shift in funding needs



C19RM PO Wave 1 awards reflect a shift in funding to align with strategic priorities: financing strengthened health systems and pandemic preparedness. This includes interventions such as: oxygen and respiratory care, test-and-treat, IPC beyond PPE, multi-disease diagnostic platforms, lab systems, surveillance and data, supply chain, and community health workers.

C19RM PO Wave 1 Awards by Priority Area (US\$ million)



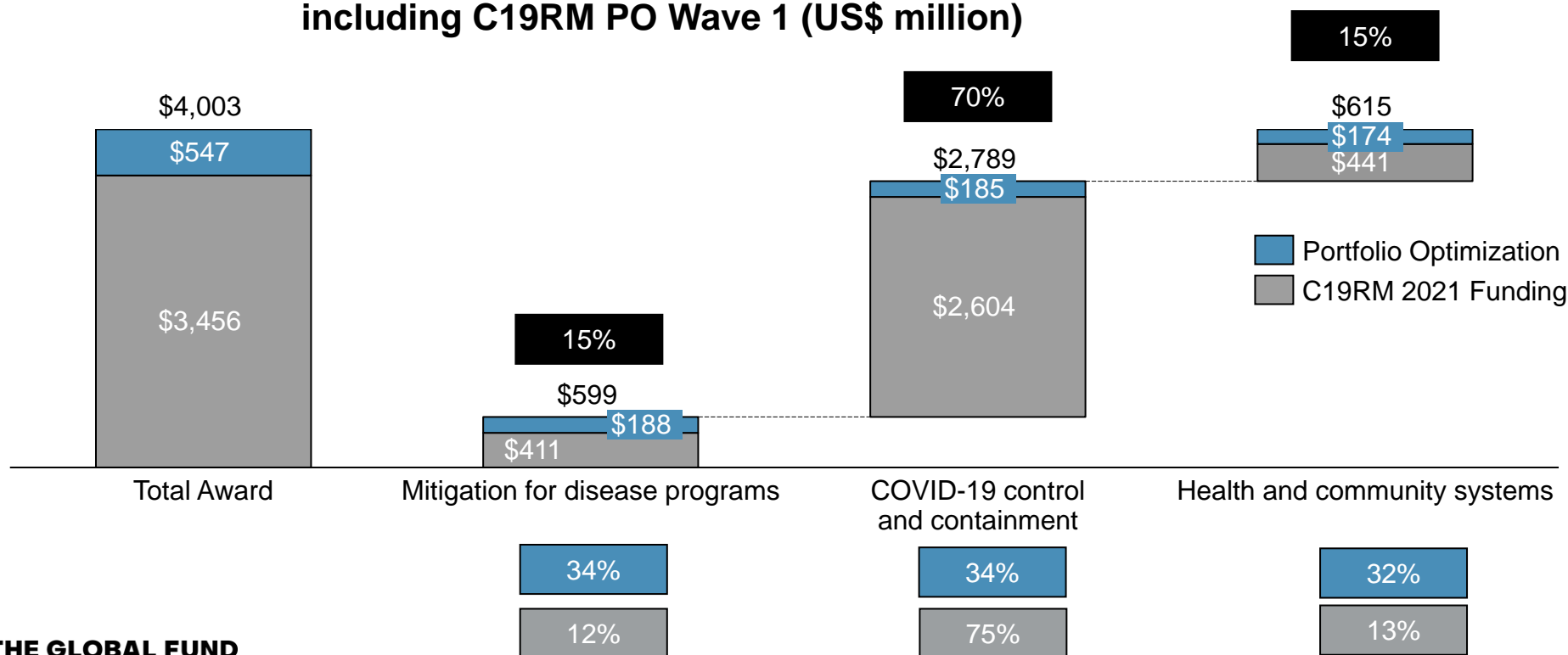
*Digital X-rays and testing machines (GeneXpert & Truenat) can form part of strengthened integrated multi-disease testing and screening platforms.

However, overall investment landscape remains unchanged, with 70% allocated to COVID-19 containment



C19RM PO Wave 1 awards focus on the following priority areas: **COVID-19 control and containment** (test-and-treat, oxygen and respiratory care, IPC beyond PPE, and multi-disease diagnostic platforms); **Mitigation for disease programs** (TB mitigation and US\$72 million of incremental PSM costs) and **Health and community systems** (lab systems, surveillance, supply chain and waste management). Investments in community health workers are cross-cutting and, as such, feature in all three priority areas.

Total C19RM 2021 Awards by Priority Area including C19RM PO Wave 1 (US\$ million)



All values in the charts are in US\$ million and rounded.

Program management costs are included in "reinforce COVID-19 national response".

Recent awards values may be adjusted slightly once detailed budgets are finalized.

Quoted values include awards approved and/or recommended for Board approval

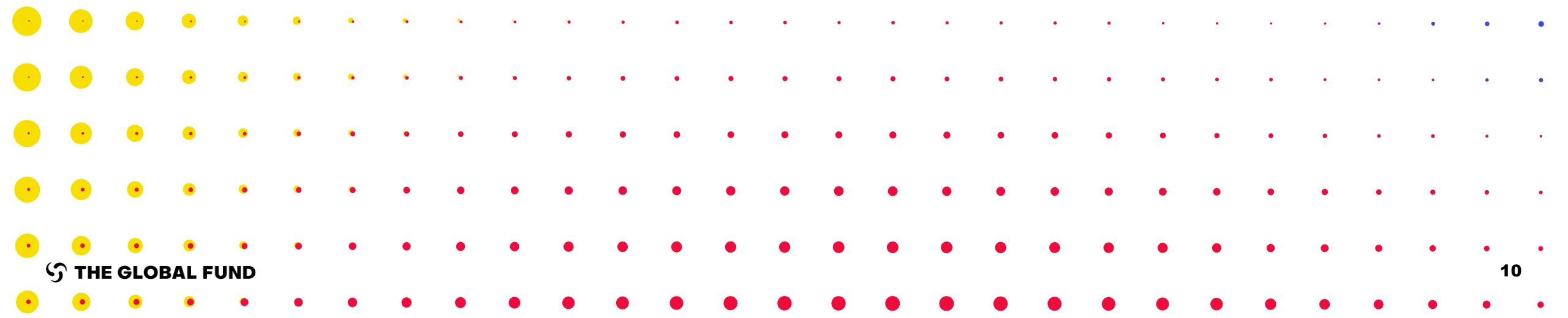
Data are excluding reinvestment (refer to dedicated slides).



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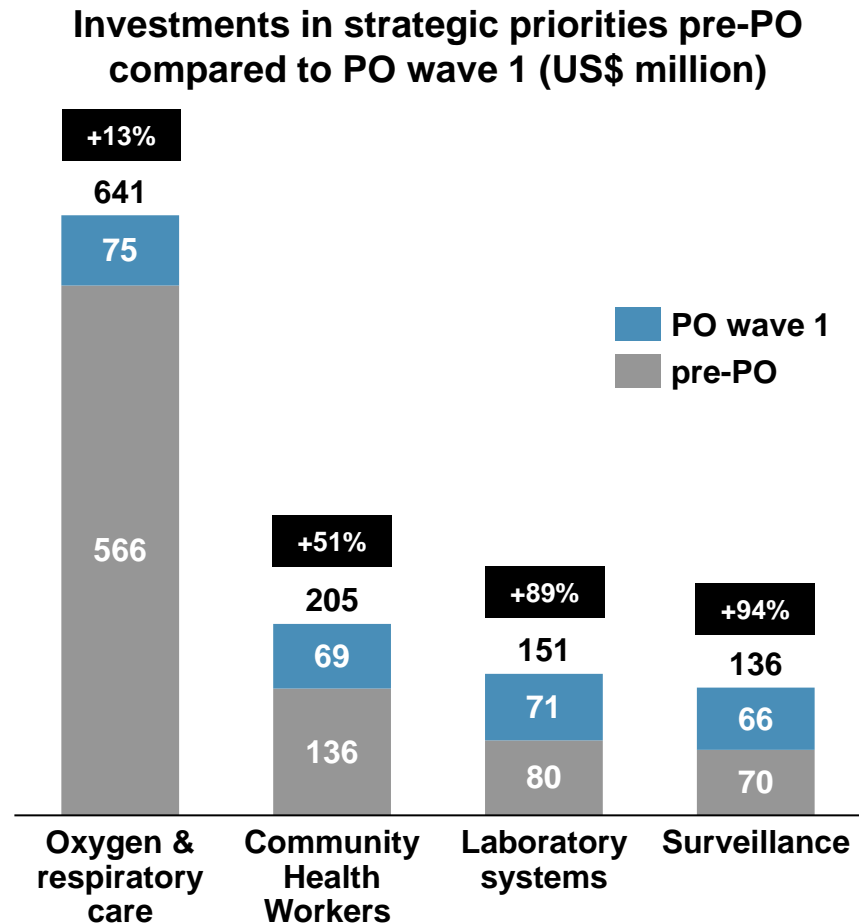
C19RM PO Wave 1

Aligning Investments in Strategic Priorities



C19RM Portfolio Optimization Wave 1

Additional US\$281 million awarded to support Oxygen, CHW, Lab systems and Surveillance



- **C19RM Portfolio Optimization Wave 1 has provided additional funding** to strengthen systems, build infrastructure and capabilities to prevent, detect and respond to new threats, including:
 - **Increasing investments for critical components of resilient and sustainable systems for health (RSSH)** that simultaneously contribute to the COVID-19 response and strengthen pandemic preparedness.
 - **Refocusing C19RM investments to adapt to the COVID-19 pandemic evolution and respond to countries' needs:** from acute COVID-19 response to transition, integration, and IHR/JEE capacities.
 - **Ensuring complementarity and synergies with GC7 RSSH and pandemic preparedness investments.**
- **Targeted Centrally Managed Limited Investments (CMLI) complement awards to countries** with timely technical assistance to strengthen delivery of strategic priorities aligned with RSSH and pandemic preparedness (including Oxygen, CHW, Lab systems and Surveillance), to maximize impact and use of funds.

Building sustainable outcomes

Integrated Laboratory Systems Strengthening



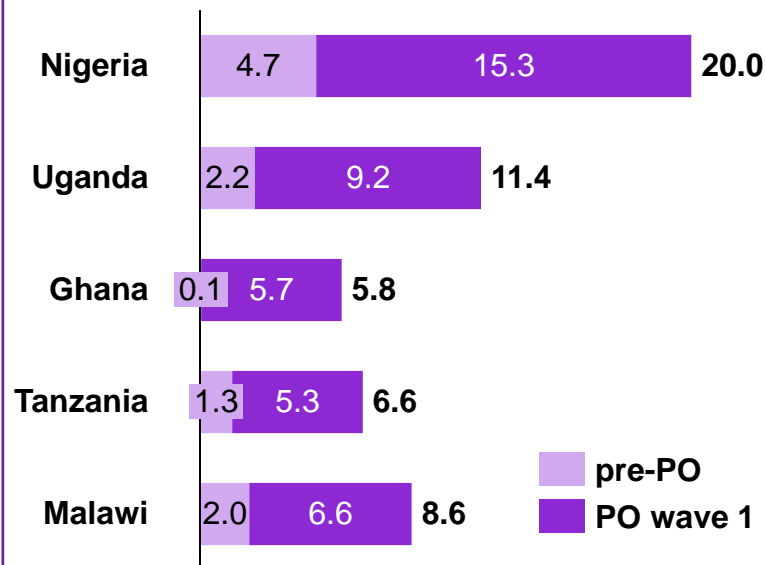
89% Additional Investments through C19RM PO Wave 1

Total Awards: US\$149 million

C19RM 2021 (pre-PO): US\$80 million

Additional PO wave 1: US\$71 million

Top PO Wave 1 Investments in Laboratory Systems (US\$ million)



Aims of the Strategic Priority

- Promote integration of COVID-19 testing into respiratory diseases, febrile illnesses and HTM testing algorithms, pandemic prone pathogens – Diagnostics (Dx) Policy, Dx strategies , multi-disease testing algorithms , self testing guidance, National Essential Diagnostic List (NEDL) updates e.g., **Nigeria, Ghana, Zambia, Uganda, Kenya, Ethiopia, Tanzania**
- Leveraging on previous and current investments to respond to disease threats and augmenting support to strengthening integrated laboratory systems (sample referral networks, data management systems, quality management systems , biosafety and biosecurity, HR competency, lab leadership etc.) e.g., **Uganda, Kenya , Zambia, Tanzania, Nigeria**
- Promote Wastewater Based Surveillance (including Next Generation Sequencing) as an early warning tools to enhance preparedness for resurgence of COVID-19 and other diseases e.g., polio, Ebola Virus Disease, cholera, influenza and informing public health and social measures (PHSM) e.g. **Uganda, Kenya , Ethiopia, Zambia, Tanzania, Mozambique**
- Upgrading laboratory infrastructure to attain international standards for accreditation and biosecurity e.g., **Zambia , Kenya. Malawi , Ghana, Uganda, Tanzania**

Summary of Longer-term Outcomes

- Strengthen coordination and collaboration with regional bodies to ensure lab systems readiness to respond to future pandemics and enhance quality of diagnostic services (e.g. AU CDC, ECSA , WHO AFRO, RPHLN).
- Integrated COVID-19 diagnostics into routine essential diagnostic services at the primary healthcare level
- Data from wastewater surveillance reports and multipathogen genomic surveillance to inform PHSM.
- Lab directorate leadership and partners and stakeholders' coordination to support laboratory systems readiness; this increases HTM service delivery and health security.

Building sustainable outcomes: Oxygen

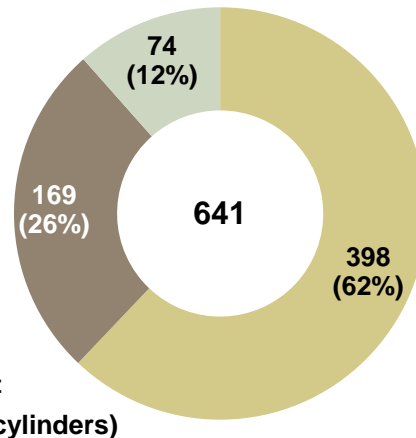


US\$75 million of additional investments through C19RM PO Wave 1

Total Awards: US\$641 million

C19RM 2021 (pre-PO): US\$566 million*
Additional PO wave 1: US\$75 million

C19RM 2021 Oxygen & Respiratory Care (US\$ million)*



Challenges

- Demand and investments for oxygen and respiratory care not well characterized with most countries lacking rigorous assessments, plans, and technical capacity to put together robust funding requests.
- At the facility level, the development of specifications for sustainable PSA plants is a complex process requiring detailed site assessments that countries are unable to complete due to lack of technical capacity.
- Systems for tracking oxygen and respiratory care equipment and monitoring the quality and use are non-existent or at very early stages of development in most countries.

Aims of the Strategic Priority

1. **Support the end-to-end implementation C19RM oxygen and respiratory care capital investments in generation capacity, specifically PSA plants**
 - i. Procurement and delivery
 - ii. Site Preparation and Installation
 - iii. Post installation services
2. **Strengthen oxygen and respiratory care ecosystems**
 - i. Additional oxygen generation capacity where critically needed
 - ii. Strengthen oxygen distribution systems
 - iii. Strengthen oxygen delivery and use to the Portable Oxygen Concentrators (PoC)
 - iv. Strengthen oxygen systems e.g., governance management and operations training, monitoring and evaluation

Long-term Outcomes

O2 sources:

- Majority of the approved and additional investments in PSA plants are procured, site preparation has been completed, plants are delivered, installed, commissioned and operational by the end of the C19RM grants period.
- The PSA plants have the required warranty and maintenance, spare parts to cover the warranty period at minimum till the end of the grant or 5 years.

O2 hospital equipment:

- Oxygen and respiratory care equipment: countries have the essential systems and resources including management, technicians and operators trained to maintain and operate them sustainably.
- Oxygen generated with C19RM investments is delivered to the Point of Care (PoC) and its quality and use is monitored.

*US\$29 million of reinvestment out of Oxygen not considered. Additional PO wave 1 awards of US\$75 million also include infrastructure and HR costs that are typically not reported as Health Product investments. **13**

Building sustainable outcomes: Surveillance

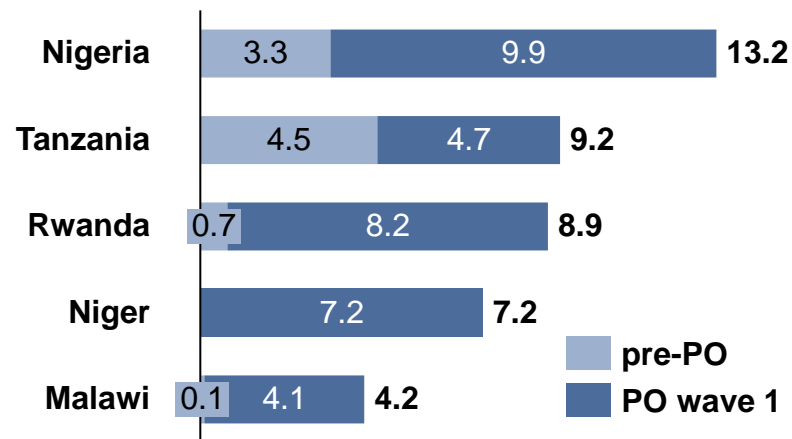


US\$66 million of additional Investments through C19RM PO Wave 1

Total Awards: US\$136 million

C19RM 2021 (pre-PO): US\$70 million
Additional PO wave 1: US\$66 million

Top PO Wave 1 Investments in Surveillance (US\$ million)



Aims of the Strategic Priority

- **Build** and **extend** existing surveillance, reporting platforms.
- **Accelerate** data-driven decision-making.
- **End to end linkage** for surveillance, routine data systems, laboratory, health facility and community investments for early warning surveillance and response.

Long-term Outcomes

- Improved detection and reporting of events/cases from communities and health facilities.
- Data from electronic reporting systems to guide public health action routinely analyzed and interpreted.
- Integrated HIV, TB and malaria investments for pandemic surveillance.
- Increased engagement with surveillance/response stakeholders.
- Reduced time between outbreak detection and response limiting the size of outbreaks by institutionalizing early warning surveillance.
- National and sub-national level capacity to link, analyze and use data from different sources for timely disease control and response.

Challenges

- Very early stages of implementation of early warning surveillance.
- Multidimensional, complex and requires time to implement.
- Requires end-to-end linkages with lab, data systems and HRH to be impactful.
- Difficult to measure direct impact made by the Global Fund.
- Requires close in-country coordination.
- At the country level: continued misconception that Global Fund only supports HIV, TB, malaria and RSSH.

Building sustainable outcomes: CHW

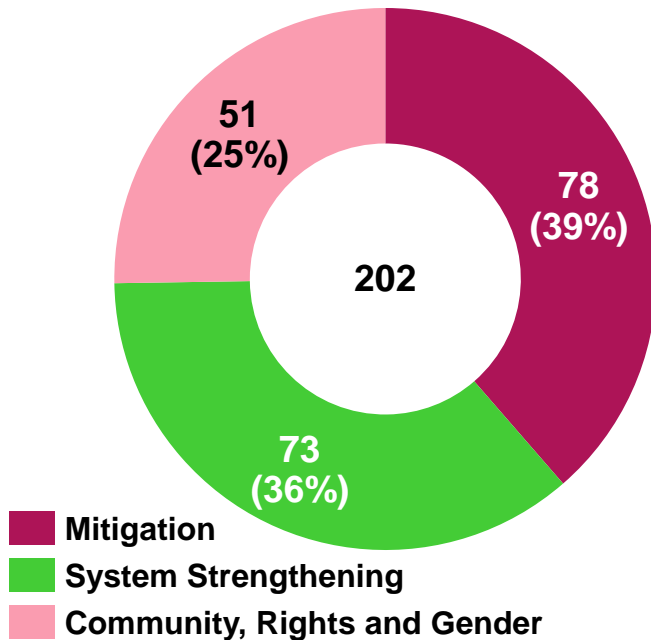


US\$67 million of increase in investments through C19RM PO Wave 1

Total Awards: US\$202 million

C19RM 2021 (pre-PO): US\$136 million
Additional PO wave 1: US\$67 million

C19RM 2021 Community Health Workers (US\$ million)



Aims of the Strategic Priority for longer term outcomes

More, better and longer-term Global Fund investments in CHWs to catalyze:

- Investments across systems components that enable readiness to scale-up, boost pandemic preparedness capabilities and accelerate impact on HTM.
- Complementary investments for GC7 and other funding sources in the short-term while catalyzing progress towards institutionalization and sustainable financing in the medium and long-term.

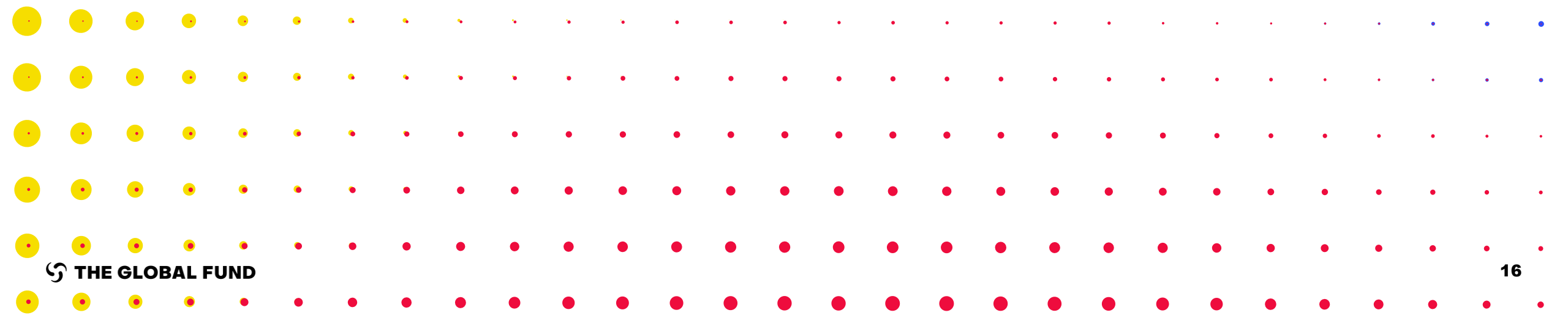
Challenges

- **Strategic prioritization to scale-up CHW:** PO Wave 1 found that countries do not have readily available plans with a focus on CHWs that can be funded to catalyze change and enable readiness to scale-up, boost pandemic preparedness capabilities and accelerate impact on HTM.
- **Ambition: Funding requests for investments in CHWs** remain unambitious or fragmented, with gaps in prioritization of investments across systems components needed for strong, impactful CHW platforms. There is need for TA for counties to better understand funding opportunities for CHWs as a strategic investment priority for C19RM.
- **Technical assistance:** Previously, there was no mechanism in place to ensure strong design and implementation of reinvestments toward CHWs. The CMLI Project BIRCH is now set up and running to ensure this takes place in 11 targeted countries that can leverage C19RM Portfolio Optimization Wave 2 to cover funding needs.



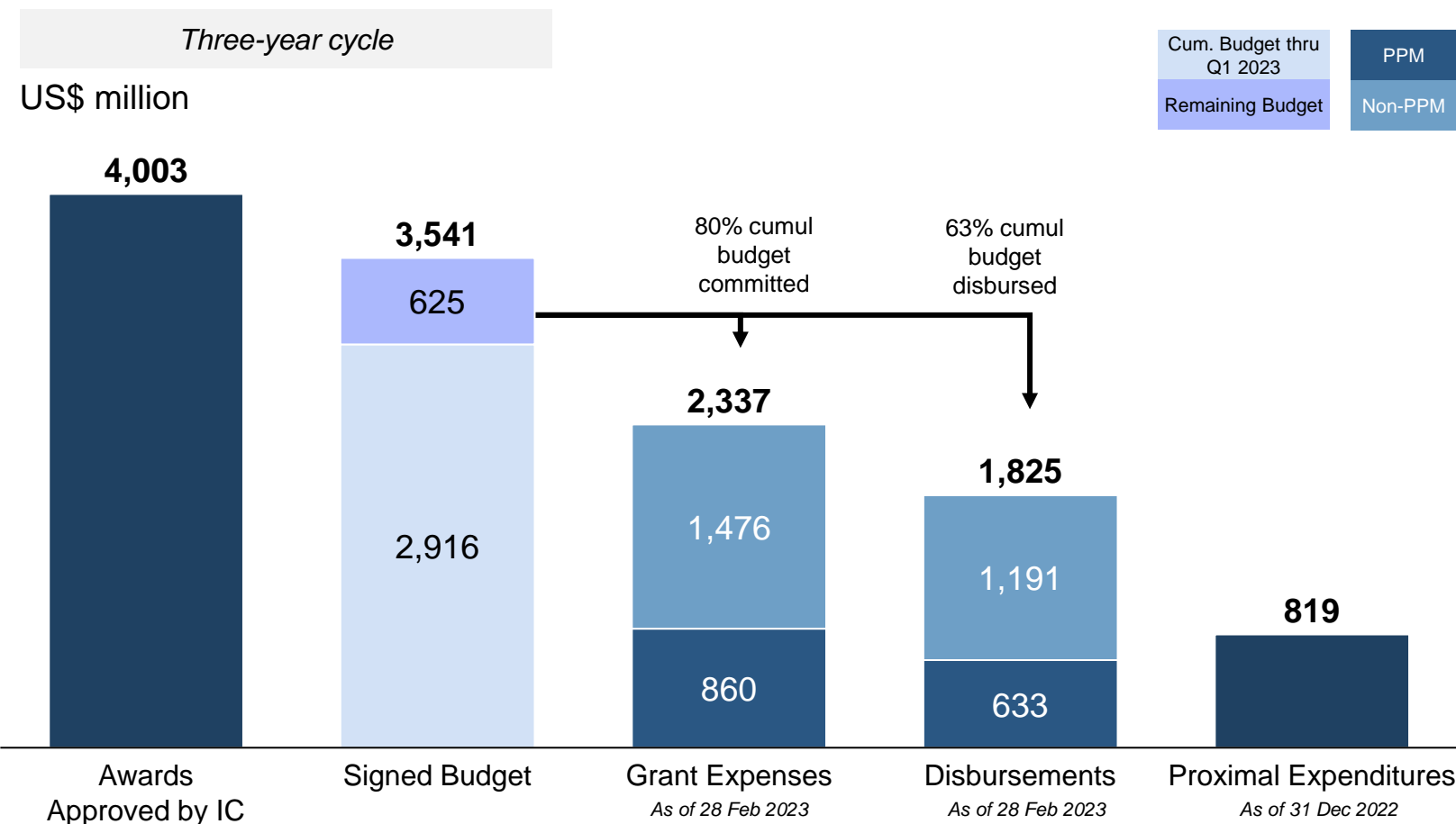
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Updates: Finance



Proximal financial information highlights implementation challenges, with an absorption rate of 37% as of December 2022. C19RM extension provides an opportunity to implement new ambition through reinvestment, PO and budget revisions to align with identified strategic priorities.

(as of 28 February 2023)



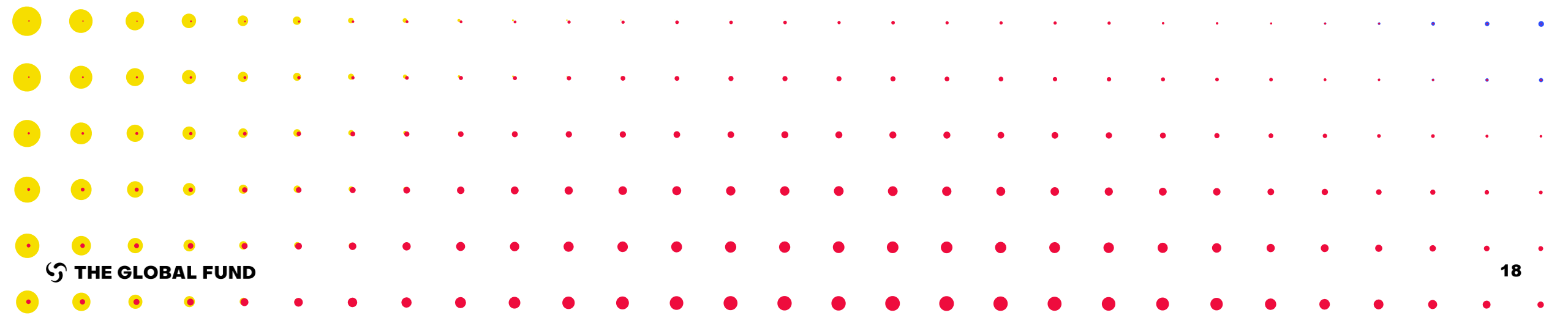
Cum. Budget thru Q1 2023	PPM
Remaining Budget	Non-PPM

- 80% of the cumulative budget to 28 Feb 2023 has been committed, including orders placed in wambo.org, the Global Fund’s online procurement platform
- Total cumulative disbursements of US\$1,825 million as of 28 February 2023, representing 78% of commitments, and 63% of the cumulative budget to 31 March 2023
- In-country absorption rate (based on December 2022 proximal financial data) remains low at 37% due to lower-than-expected demand;
- budget revisions and reprogramming are ongoing in 2023 to meet new ambitions for implementation through 31 December 2025
- Reinvestment and portfolio optimization are expected to unlock the ability of implementers to gear investments towards emerging needs with higher impact and absorption potential



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Updates: Health Products Pipeline



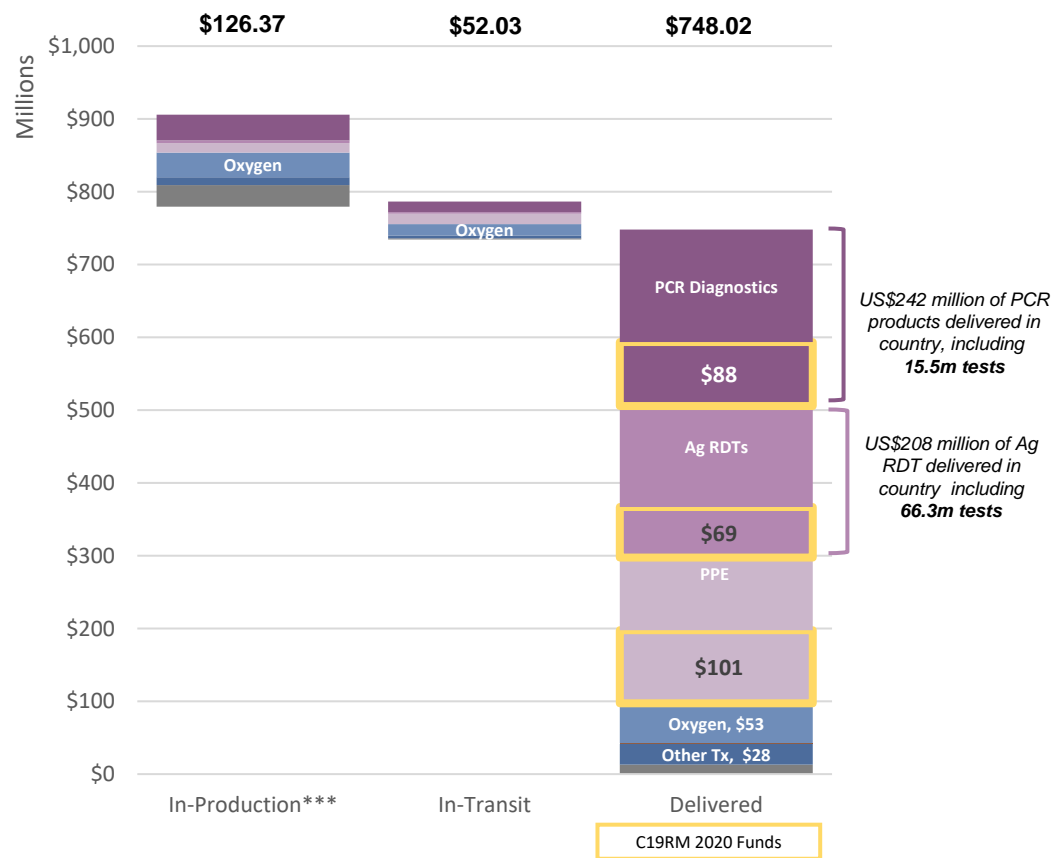
C19RM Demand and Supply: General Trends

		Country Demand	Supply/Logistics
Overall	Diagnostics & Infection Prevention and Control	<ul style="list-style-type: none"> • Low incremental demand in converting earlier C19RM awards into purchase orders, with 59% PPM C19RM procurement conversion against pre-reinvestment baseline. • New demand anticipated in the context of reinvestment and portfolio optimization. • Decreasing demand for RDTs and PCR tests for COVID-19 response. • Country Funding Requests contain substantive demand for bidirectional testing interventions. • Increasing demand for diagnostic technologies, including next-generation sequencing technologies and X-ray systems. • Decreasing demand for PPE as COVID-19 control measures relaxed. • Continued need to shift toward IPC program strengthening as countries move toward pandemic preparedness. 	<ul style="list-style-type: none"> • Limited manufacturing supply constraints. • Continued disruption (but currently reduced) to the global supply chain and logistics, with improved freight reliability. • Uncertainties related to inflation, impact of Ukraine war, COVID-19-related restrictions and decreasing freight provider constraints remains. • Suppliers report significant manufacturing capacity and available stocks of COVID-19 diagnostic tests • Potential delays for TB tests are being proactively managed. • For sequencing, X-rays demand: supplier arrangements are in place to source and deliver the products. • Current PPE supply and other infection control products remain steady • For PPE, future manufacturing capacity may decrease due to market consolidation in response to decreasing demand.
	Oxygen	<p>Oxygen:</p> <ul style="list-style-type: none"> • Execution is taking longer than anticipated, due to complexity of interventions and in-country capacity (e.g., complex technical specifications of PSA plants, site-readiness activities) • Increased need for Project BOXER technical assistance (51 countries total to-date), supported by and aligned with partners & Oxygen Working Group. • Developing focus towards on site preparation and readiness of PSA plants. 	<p>Oxygen:</p> <ul style="list-style-type: none"> • PSA plant manufacturing timings, global events, freight challenges and in-country site infrastructure requirements continue to impact supply to drive lead times for PSA plant orders.
Case Management	Therapeutics	<p>Therapeutics:</p> <p>In line with global epidemiological context, overall demand remains low, but orders being placed.</p> <ol style="list-style-type: none"> 1. USAID-supported countries: Ghana and Senegal have placed orders for Paxlovid (3370 Tx). Two orders have been placed for Molnupiravir, by Ghana and CIV (3096 Tx) 2. C19RM grants: Orders for Paxlovid have been placed through PPM/Wambo by Zambia and Armenia (1496 Tx). 3. CMLI Test & Treat: CHAI providing TA to Zambia, South Africa and Nigeria. Phase 2 has been completed on time, and progress presented to the three CTs by CHAI. Phase 3 is ongoing, focusing on training of health care workers and updating/disseminating guidelines. 	<p>Therapeutics</p> <ul style="list-style-type: none"> • Two generic molnupiravir manufacturers and one generic nirmatrelvir/ritonavir manufacturer have been WHO Prequalified and are now available through PPM/wambo.

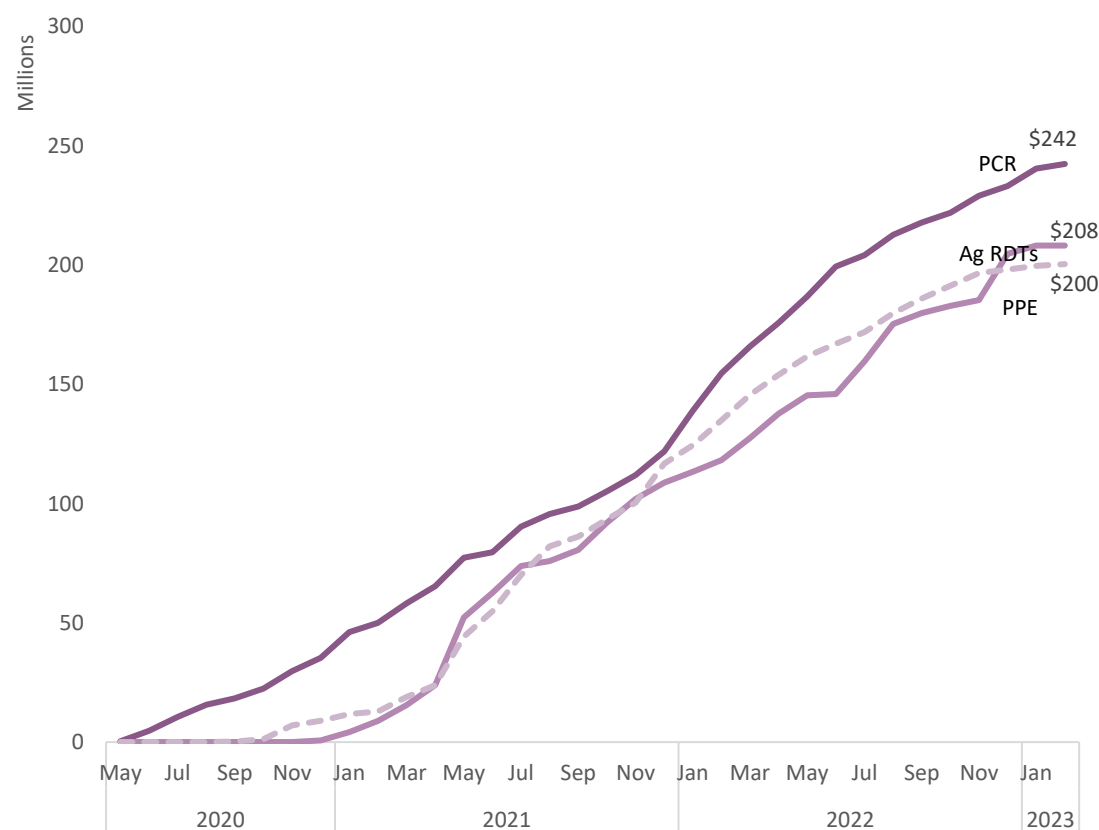
Orders for US\$926 million* (US\$913 million as of January 2023) of COVID-19-related health products have been placed through PPM/wambo.org since 2020, with US\$748 million delivered (US\$734 million as of January 2023).

- US\$3.0 billion awarded since 2020 for the procurement of COVID-19 related health products (incl. C19RM 2020): Dx: US\$1,017m; PPE: US\$769m O2: US\$605m.
- US\$259 million products delivered through PPM with C19RM 2020 funds. US\$489 million (US\$476 million in Jan) products delivered through PPM with C19RM 2021 funds.
- Purchase Orders of US\$178 million (compared to US\$178 million in Jan) for products remaining to be delivered

Cumulative PPM Procurement Pipeline (US\$)**



Cumulative PPM Deliveries by Month (US\$)****



* Reporting on aggregate value of orders and split by category is being refined over time to reflect any savings achieved on completed orders and to exclude procurement of non-health products

** Based on PPM/wambo and Procurement Service Agent data as of 27 February 2023

*** Production includes process through to importation clearance and pick-up for transfer to flight/vessel

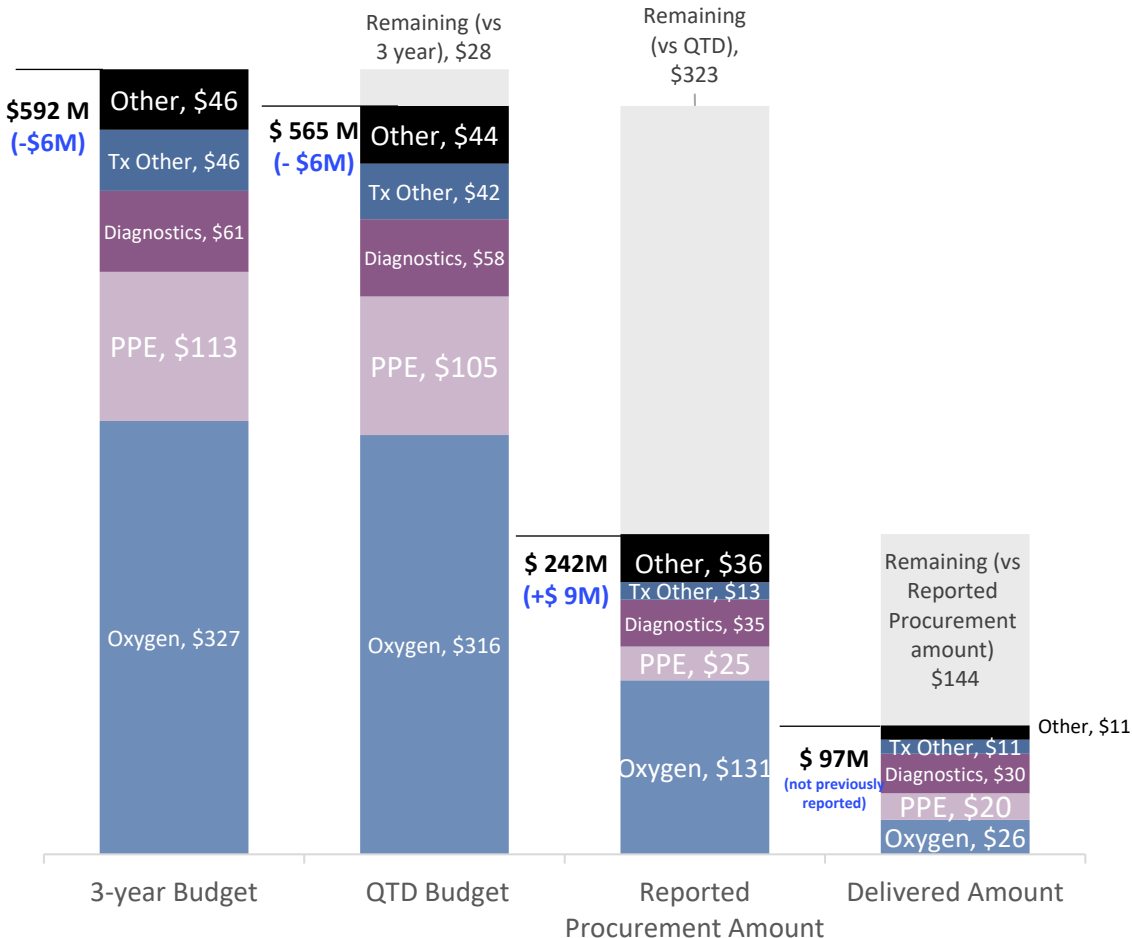
**** Dollar value of deliveries by month may change slightly over time due to potential reporting lags as well as revisions over time

‡ procurement for multi-disease testing and screening platforms such as testing machines (GeneXpert & Truenat) and digital X-rays are included within PCR diagnostics and "Other" categories, respectively.

Non-PPM procurement reporting¹: February 2023

Note: Countries/PR currently undergoing C19RM reinvestment and portfolio optimization discussions - likely to result in budget shifts across product categories and procurement channels.

Top 45 countries only (in \$M) (reflects implementation-focused HPMT where available)



By Region	Expected Reports	Reports received	% Reporting
AELAC	5	5	100%
AME	13	13	100%
HIA	17	17	100%
HIA1	4	4	100%
HIA2	7	7	100%
Grand Total	45	45	100%

	3 years Budget ²	QTD Budget	Reported Procurement Amount ²	3 years budget conversion rate	QTD Budget conversion rate	Delivered Amount ³	Delivered amount to Reported Procurement Amount conversion rate
By Region							
HIA1	44	38	29	66%	75%	9	33%
HIA2	151	147	67	44%	45%	23	35%
HIA	226	220	81	36%	37%	25	32%
AME	150	138	56	37%	41%	32	57%
AELAC	21	21	9	43%	43%	7	73%
By Product Category							
Diagnostics	61	58	35	58%	61%	30	84%
Oxygen	327	316	131	40%	41%	26	20%
Other	46	44	36	80%	83%	11	30%
PPE	113	105	25	23%	24%	20	79%
Tx Other	46	42	13	28%	31%	11	81%
By Type of PR							
National	470	450	202	43%	45%	73	36%
UN Agencies	122	114	40	32%	35%	24	61%
Total	592	565	242	41%	43%	97	40%

¹ Non-PPM reporting excludes any investments or subsequent purchase orders related to 'non-reportable items'; this includes disinfectants, scrubs, and repurposed/existing medicines; accounts for an additional US\$99 million of current budgets

² Budgets as per aggregated C19RM 2021 HPMTs available and uploaded into the aggregate tool at 28 Feb 2023 reported PO Amount as per PR Procurement Progress Reporting templates submitted against 10 Feb deadline for procurement through end of Jan and beginning of Feb 2023

³ Approx. US\$21 million in ordered value which could be potentially reported as delivered has been omitted due to incomplete delivery data, currently under review.

⁴ UN agencies are UNDP + UNOPS+ UNICEF grants

Non-PPM Procurement Reporting: February 2023

Top 45 countries only (in US\$M)

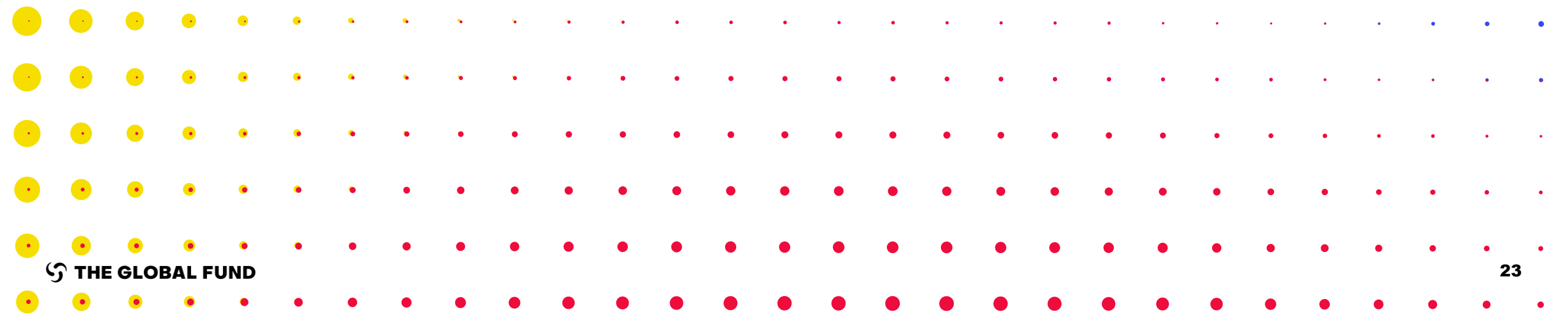
Summary Points

- Conversion of **non-PPM budget** to purchase orders is at **43% of the quarter to date (Q1 2023)** budget or 41% of the three-year total. The C19RM funds extended implementation period is an opportunity for further budget conversion.
- The **total of purchase orders reported through Feb 2023** was **US\$242 million**. This is **US\$9 million more** than what was reported in Jan 2023. Some purchase orders have recently been issued for PSA plants and medical oxygen equipment (e.g., more than US\$5 million for Bangladesh). Further purchase orders (i.e., US\$37 million for PSA plants for India) are expected to be issued soon while PO exercises are being implemented.
- Oxygen demand has been fluctuating. Globally, oxygen procurement and implementation has been slow, given the technical and complex nature of the procurement as well as in-country coordination, site assessments and infrastructure needs.
- Ongoing changes of procurement channel – for example from non-PPM to PPM (e.g., Benin and DRC) for oxygen plants and various health products, where procurement has not progressed.
- Ongoing exercise to realign C19RM investments with the changing pandemic context, national priorities and lessons learnt.



3

C19RM Portfolio Optimization Wave 2 – Preparation



C19RM Portfolio Optimization Wave 2 - timelines



Updated deadline: 12 May 2023

This updated timeline supports better coordination of available funding streams, application, review, timely award and implementation through:

- Integration and coordination with Pandemic Fund (proposals due 19 May).
- Increased complementarity with GC7 applications.
- Defining programmatic gaps and maximizing potential for countries to develop proposals to register Unfunded Demand for future C19RM Portfolio Optimization updates, additional funding opportunities – including Pandemic Fund.
- Analysis of C19RM budgets, prioritization, reinvestments / re-budgeting, and preparation of Performance Frameworks.
- Resource mapping across national, regional and global funding mechanisms.

The Global Fund Secretariat will **review and approve C19RM applications on a rolling basis** - to ensure rapid deployment of funds, maximize implementation time and optimize fund utilization through 31 December 2025.

Health and Community Systems and Pandemic Preparedness Programmatic Priorities to be covered by the C19RM Extension and Portfolio Optimization Wave 2 request as outlined in the updated Technical Information Note



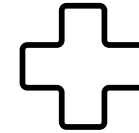
**Surveillance
system
strengthening**



**Laboratory
and
diagnostics**



**Human
resources for
health and
community
system
strengthening**



**Medical
oxygen,
respiratory
care and
therapeutics**



**Health
product and
waste
management
systems**

Integrated planning for GC7 and C19RM grants

Step 1: Define and prioritize RSSH needs

RSSH Gap Analysis

- Prioritization of RSSH areas for each of HTM programs
- Prioritization across the HTM programs
- Funding gap analysis



Additional RSSH-PP Analyses

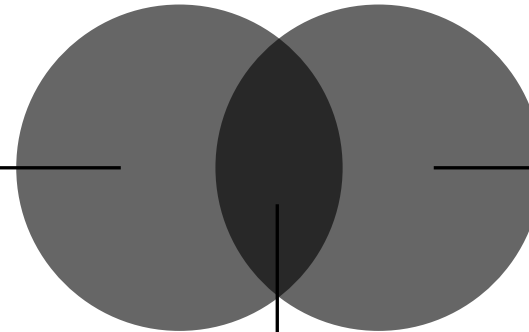
- Prioritization of systems gaps for Integrated people-centered quality services and pandemic preparedness
- Costing of additional RSSH-PP priority need

Step 2: Translate them into requests for GC7 and C19RM – enhancing synergies and avoiding duplication

GC7 priorities

Ensure funds from GC7

- M&E systems (HMIS, etc.)
- Health finance
- Integrated services



Overlapping priorities

Use both GC7 and C19RM in mutually complementary way

- CHW-HRH/CBO & CLO
- Laboratory systems
- Supply chain (limited scope for C19RM)
- Other (Waste management, IPC/AMR)

C19RM priorities

Use C19RM while securing post-2025 funding

- Early warning surveillance (incl. surveillance data)
- Oxygen system

Coordination and Complementarity: C19RM and Pandemic Fund

Allowing countries to maximize alignment and synergies across pandemic preparedness funding streams.

C19RM Portfolio Optimization

Wave 1
US\$547 million
awarded to 40
countries

Wave 2
Additional
US\$323
million

Open to Global Fund eligible countries

Application materials and timelines for C19RM extension period are available on the Global Fund [website](#).

For C19RM programmatic priorities including:

- 1) **surveillance system strengthening;**
- 2) **laboratory and diagnostics;**
- 3) **human resources for health and community systems strengthening;**
- 4) **medical oxygen, respiratory care and therapeutics; and**
- 5) **health product and waste management systems.**

Pandemic Fund

New Funding
~US\$300
million

For Pandemic Fund priority areas:
1) comprehensive disease surveillance and early warning;
2) laboratory systems; and
3) human resources/workforce strengthening

Open to all IDA/ IBRD countries eligible

Countries can indicate interest in applying for Pandemic Fund resources in collaboration with the Global Fund (see [Operational Update](#)). Countries can also choose to work with any approved Implementing Entity.

The basis on which the Global Fund is able and willing to act as an “Implementing Entity” has yet to be determined by the Global Fund Board.

Important Note: Coordination is needed at the country level to avoid duplication and integrate PPR investments into building resilient national healthcare systems, including national pandemic preparedness coordination bodies.

Using the Global Fund as an Implementing Entity

Coordination and integration into existing operations.

- The Global Fund is one of the 13 approved Implementing Entities for the Pandemic Fund's first call for Proposals.
- The Global Fund has aligned C19RM portfolio optimization timelines to enable potential collaboration with the Pandemic Fund, with C19RM Portfolio Optimization Wave 2 deadline on May 12th which is the week before the Pandemic Fund deadline of May 19th.
- C19RM aims to coordinate and streamline funding applications, review and approval processes, integrate implementation and M&O of C19RM and Pandemic Fund grants. The Pandemic Fund would consider financing critical interventions at a greater scale, through high quality demand requested in strategic priority areas and registered as Unfunded Quality Demand (UQD).
- A streamlined and integrated funding request (C19RM and Pandemic Fund) allows Countries to indicate in their funding request (first page) whether they are interested in having unfunded needs from their proposal considered as part of a potential proposal from the Global Fund to the Pandemic Fund (pending Board decision).
- The funding request design ensures alignment with national plans and strong engagement of Pandemic Preparedness entities. It provides for essential information to address review and approval requirements for both funding streams and seeks to minimize additional burdens on countries and Secretariat transaction costs.

THE GLOBAL FUND

COVID-19 RESPONSE MECHANISM

Additional Funding Request Form

Date Created: 20 March 2023

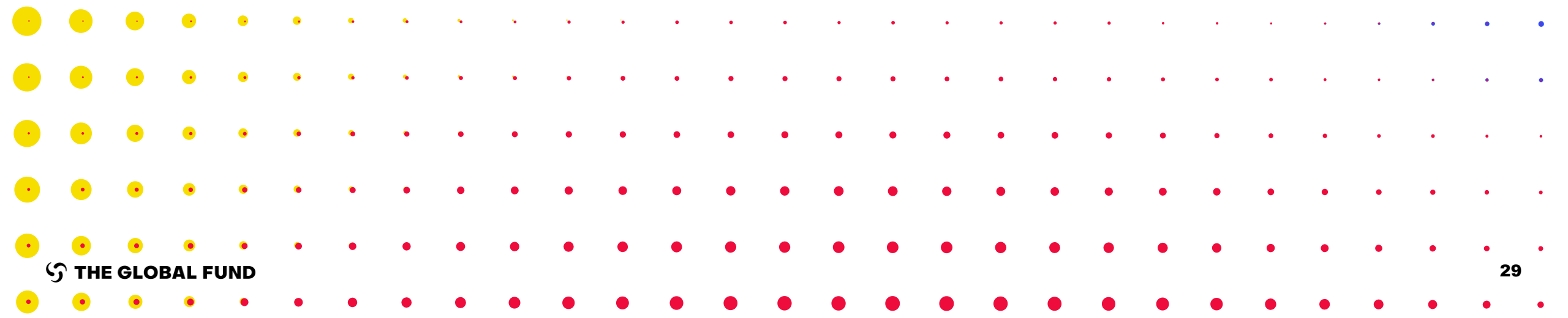
Pandemic Fund interest.
To be considered for the Pandemic Fund, funding requests must cover one or more of the three priority areas of the Pandemic Fund's first Call for Proposals (surveillance, laboratory systems, or human resources/workforce strengthening)

[Please indicate (Yes or No) whether the applicant would like to also be considered for funding through the Pandemic Fund with the Global Fund as an Implementing Entity. Approved, unfunded demand from this C19RM Additional Funding Request may be considered as part of a proposal from the Global Fund to the Pandemic Fund.]



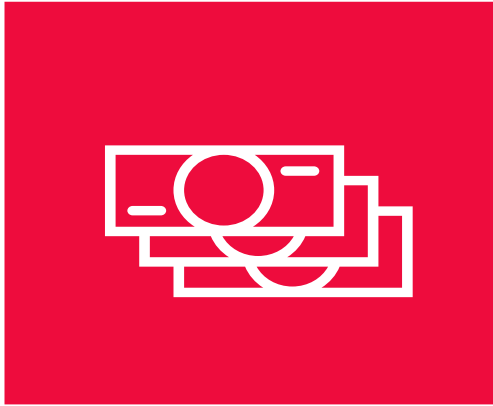
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Progress in Operationalization of C19RM Extension

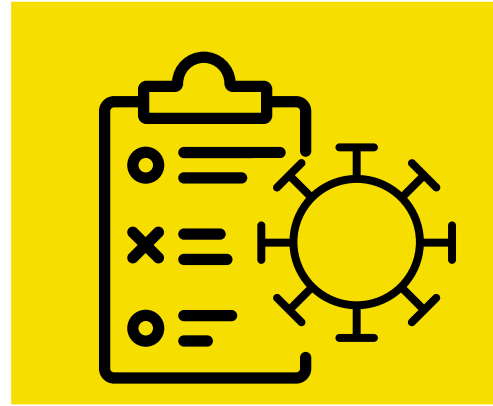


Summary of key observations, challenges and lessons learned

Lessons and opportunities to ensure maximum impact and effective use of C19RM Funds:

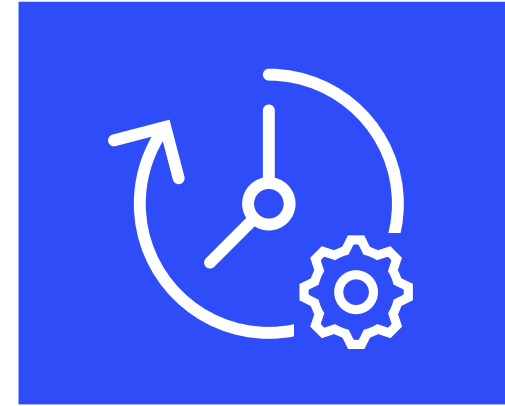


In-country absorption based on December 2022 proximal financial data remains low at 37%, as demand for health products decreased as the pandemic evolved.



Despite decreased demand for health products, 70% of C19RM funds remain in “COVID-19 containment” category.

Countries not expecting to move funds from COVID-19 commodities to investment in systems preparedness, given uncertainty of pandemic evolution.



Natural reprogramming cycle and current operational procedures not working as intended to meet C19RM needs:

- **Magnitude of reprogramming** was not sufficient to create the desired shift.
- **Limited visibility on reprogramming**
- **Risk of funds being directed to areas not aligned with strategic investment priorities for the extension**, although within C19RM mandate

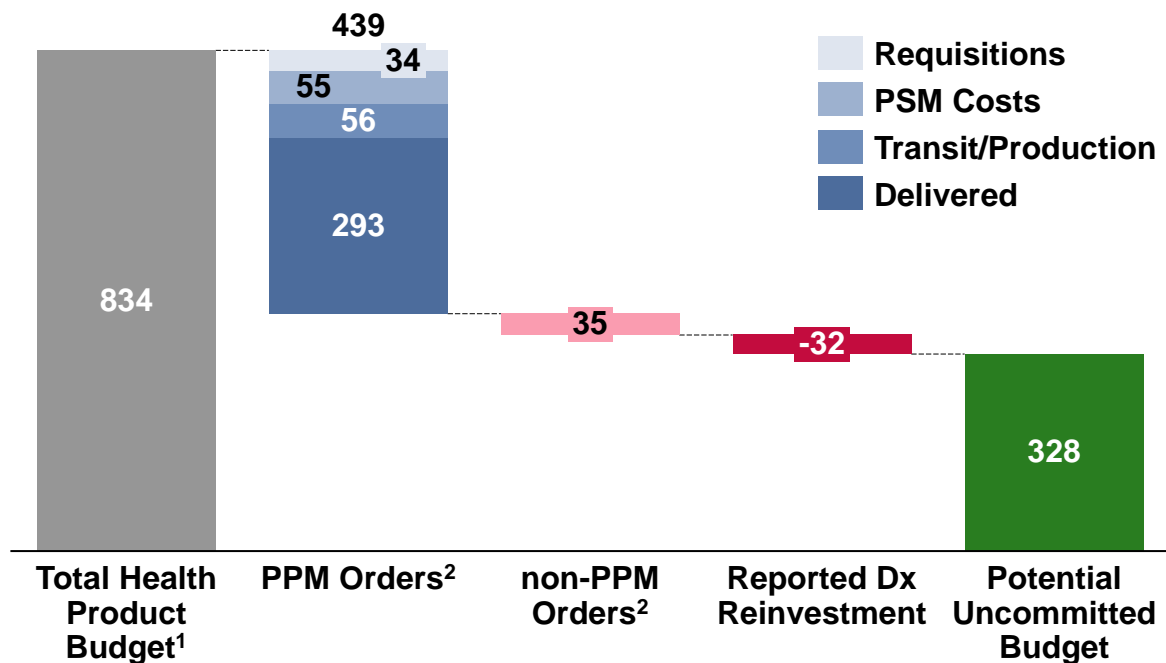
Updated guidance and tools needed to formalize, catalyze and monitor/track shift in strategic investment priorities and funding needs, accelerate reinvestment and budget revisions.

Illustrative Example: COVID-19 Diagnostics

Potential capacity for reinvestment from uncommitted budgets, given context of pandemic evolution and changes in public health measures

Sources: Detailed budget, HPMT, Wambo, non-PPM procurement process reporting

Diagnostic Procurement flow (US\$ million)



- A total of **US\$470 million** in orders has been placed, with a total of **US\$32 million** reported as reinvestments out of COVID-19 diagnostics into other interventions.
- This leaves a total of **US\$332 million potential capacity for reinvestment** given the context of pandemic evolution and decreasing demand for COVID-19 health products.

¹Total awards for Dx PCR and Ag-RDT, including some molecular testing equipment that can form part of a strengthened integrated multi-disease testing and screening platforms, which will remain a priority.

²PPM and non-PPM pipeline data from February 2023.

Q2 2022 Spot Check: COVID-19 Diagnostics global on-shelf availability at 80% (target = 80%).

Strategic Actions to address challenges and lessons learned

Visibility of Investment and Reinvestment Landscape

- **Determine activities that should be continued / executed** during extended implementation period.
- **Establish strategic investment shifts with defined activities (e.g., RSSH & PPR) with high capacity for execution and effective utilization of funds** within the extension timeframe.
- **Develop expert TA partnerships** to support the design and implementation of key investments, CHWs, oxygen, surveillance, lab, etc.
- More **proactive communications and engagement with countries and TA** on strategic investment priorities and reinvestment.

Maintain Urgency and Agility in Deployment of Funds

- **Accelerate integration of approved awards into budgets.**
- **Accelerate operationalization of C19RM extension, awards & completion of PO Wave 2.**
- **Investment shifts & budget revisions to enable implementation & tracking.**
- **Continue operational oversight on procurement and delivery progress for health products**, oxygen plants and other health equipment for PPM/Wambo.org and in-country procurement.
- **Identify funds available for reinvestment and potentially additional funds for PO** through the forecast and **launch PO Wave 3 before Q4 2023.**

Enhance Monitoring and Support Implementation

- **Reporting on progress in operationalization and the integration of investments** into grant budgets through the rebudgeting exercise.
- **Reporting on progress of procurement and delivery** to achieve the annual disbursement and expenditure targets.
- **Leverage the data on programmatic needs and execution trends** to tactically drive further investment shifts for programmatic impact and absorption.
- **Perform analyses in a sample of countries (5 to 10) to layout bottlenecks to improve programmatic execution** and expenditure management by the LFA in close collaboration with TAP and Finance.
- **Tracking and proactive analysis and modelling of in-country absorption and program execution** evolution to drive re-investment and reorientation of investment landscape.

Additional strategic actions and operationalization of C19RM extension

Activities completed



Updated C19RM Technical Information Note: The **C19RM Technical Information Note** has been **updated** to ensure strategic prioritization and focus of investment to reflect shift in the pandemic and consequently in funding needs.



Revised C19RM M&E Framework: The **M&E Framework** has been revised to align with the technical priorities and reflect comprehensive and relevant reporting and M&E of C19RM investments, which in many countries will be programmed to ensure synergies with GC7 resources.



Strengthened C19RM Assurance Models: **C19RM Monitoring Oversight (M&O) and Assurance Approach 2023-2025** has also **evolved** to meet the changing epidemiological context and investment priorities.



Strengthening TRP Engagement: **TRP engagement** in C19RM initiated with onboarding of leadership, focal points and pandemic preparedness experts; TRP leadership participation in monthly GAC/CTAG meetings; and involvement in the operationalization of the C19RM extension, providing upfront technical input to the C19RM Technical Information Note and M&E Framework; next steps include developing approaches for ensuring TRP participation in CTAG reviews and visibility of C19RM investments when reviewing GC7 funding requests



Change Management and Communication: **More detailed information on operationalization of the C19RM Extension has been shared** through periodic operational updates to countries, the [Global Fund website](#) and [information sessions](#) (internal and external), including on C19RM Technical Information Note, M&E Framework and revisions to C19RM guidelines (in progress). In addition, there is ongoing support to countries (by Secretariat teams in collaboration with partners) on C19RM strategic priority areas, funding requests development and Pandemic Fund integration.

Strategic risks and trade-offs

Continue to monitor and manage the following risks and trade-offs, including through investing in strengthened C19RM Monitoring and Oversight, and differentiated assurance approaches

- **Implementation/execution risk and potential expenditure gap:** slower-than-anticipated execution at country level with risk of significant amount of funds remaining unutilized at the end of 2025 (for High-Impact and Core portfolios). Will be addressed through more dynamic portfolio management including reinvestment, Portfolio Optimization, Centrally Managed Limited Investments (CMLI) implementation support and enhanced Monitoring and Oversight.
- **Pressure on country and Secretariat capacity:** competing priorities for countries and the Secretariat to support the last year of GC6 grant implementation to drive impact; to prepare ambitious GC7 funding requests; and to sign grants and manage the strategic shift of C19RM investments to ensure synergies with GC7 and drive execution through 2023-2025. Capacity constraints will be mitigated through additional investments in C19RM resources (Secretariat, PR, LFA and CCM) to increase implementation capacity and strengthen assurance.
- **Operational guidance and system refinements:** while design principles have been defined, investments in development of required system functionality and updates to guidelines to operationalize the extension are still underway. Implementation of change management and communications plan will help mitigate the significant increase in transactional costs and ensure effectiveness and efficiency in implementing adjustments related to operationalizing the extension.
- **Supply Operations risk:** maintaining focus on order conversion rates, and delivery of health products/equipment (especially on more complex procurement including PSA plants, diagnostic platforms, genomic sequencing, waste management, etc.) will be key to optimizing and managing procurement risks.

Ongoing Activities

Implementing Strategic Actions to address challenges, lessons learned and mitigate risks

- **Finalize preparation for C19RM PO Wave 2, review and approve C19RM applications by Q2 2023, on a rolling basis:**
 - ensuring **visibility on investment / reinvestment landscape**, including budget revisions and leveraging forecast;
 - accelerating investment decisions, including coordination of application, review, approval and integrated implementation of C19RM and Pandemic Fund;
 - enhancing prioritized quality investments and register UQD.
- **Continue operationalization of the C19RM Extension** - balancing trade-offs on complexity, transaction costs, and workload for countries and the Secretariat.
- **Maintain urgency and agility of the mechanism even within longer timelines**, to ensure countries can rapidly execute programs, maximize implementation time and optimize fund utilization through 31 December 2025.
- **Strengthen implementation support through CMLIs to ensure that countries can rapidly execute programs**, detect and respond to future pathogens, new COVID-19 variants and future upsurges and pandemics;
 - **intensifying country engagement and technical assistance by country**, through CMLI and other partners to support prioritization of C19RM requests planned in an integrated way with GC7 applications;
 - **enhancing Monitoring and Oversight, and implementation of enhanced Assurance models to manage risks;**
 - **ensuring country and Secretariat capacity and optimizing operations to reduce transaction costs.**