

Report of the Executive Director

46th Board Meeting

GF/B46/07

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Board Information





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Introduction

Dear Board members, colleagues, friends,

Any assessment of 2021 must begin with the dreadful fact that this year, it seems probable that more people have died of infectious disease in the countries in which the Global Fund invests than at any other time in our 20-year history. Driven by the Delta variant, COVID-19 has claimed millions of lives directly, far more than is officially recorded, while its knock-on impact on HIV, tuberculosis (TB) and malaria has reversed many years of hard-won gains. For the poorest and the most marginalized communities in the world, the pandemic has been a catastrophe, and the longer it continues, the more devastating it will be.


Against this grim backdrop, there is still much to be proud of in how the Global Fund partnership has responded to the crisis. While we have not been able to avert the direct impact of COVID-19, nor prevent the damage to HIV, TB and malaria progress, it seems undeniable that both would have been much worse without the swift and decisive actions taken by the Global Fund. In the countries in which we invest, we have seen more lives lost to infectious diseases than ever before, but we have almost certainly also saved more lives than ever before.

This year we are on track to invest in HIV, TB and malaria programs more than ever before in our history. As an indicator, HIV, TB and malaria procurement as of October 2021 was up 34% compared to 2020. In addition, by early October 2021, we had awarded over US\$3.1 billion through our COVID-19 Response Mechanism (C19RM) since we began this phase in April 2021.

Absorption is at record levels. Investment in resilient and sustainable systems for health (RSSH) has been stepped up. Investments in community-led interventions through HIV, TB and malaria grants and via C19RM are at an all-time high. The take-up of medical innovations has been accelerated. Innovations in service delivery are happening at an unprecedented pace.

In April 2020, in moving swiftly to approve the first phase of C19RM, the Global Fund Board determined that helping countries respond to COVID-19 was not a diversion from our mission of ending HIV, TB and malaria, but was essential to achieve that goal. In March 2021 the Board confirmed this stance, by approving a refined and expanded extension of C19RM. The Global Fund partnership's swift and decisive response to COVID-19 has meant we have played a crucial role in the global response. In 2021, thanks to the generosity of donors led by the United States, the Global Fund has been the primary provider of grant support to low- and middle-income countries (LMICs) for all the non-vaccine components of their COVID-19 responses, including tests, treatments (including oxygen), personal protective equipment (PPE) and urgent improvements to health systems.

At no point have we allowed the crisis to deflect us from our core mission of defeating HIV, TB and malaria. By October 2021, the Grant Approvals Committee (GAC) had reviewed and recommended US\$11.8 billion of country allocation funds for grants for the 2021-2023 implementation cycle, compared to US\$9.3 billion by this point in the previous cycle, an increase of 25%. By October 2021, 234 country and multicountry Board-approved grants had gone through GAC and had been integrated into grants.



Despite the intense pressures created by the pandemic, and the constraints of remote working, the partnership has continued to raise standards. The new Global Fund Strategy being presented to the Board for approval is the fruit of many thousands of hours of discussion involving hundreds of stakeholders. It is, without question, a far more ambitious, detailed and actionable strategy than we have ever had before. The new approach to independent evaluation, also being presented to the Board for approval, provides a much stronger platform for rigorous, independent assessments of impact to enable learning and accountability. The ongoing refinement of our risk and assurance frameworks, battle-tested by COVID-19, gives us ever more effective tools to navigate this extraordinarily turbulent and uncertain environment.

Our intensified focus on tackling sexual harassment and exploitation, on fostering diversity and inclusion, and on supporting leadership development are all proof points of our determination to improve not just what we do, but how we do it. Across multiple dimensions of the partnership's activities, we are raising the bar.

Looking ahead to 2022, the Global Fund partnership will once again have to demonstrate its cohesion, determination, and agility. In 2020 we had to respond to a pandemic that swept the world and disrupted all our activities. In 2021 we have had to step up our response, as successive waves of the pandemic cause surges of infections and deaths and the knock-on impact continues to escalate. As we set our priorities for 2022, we must recognize – but not be daunted by – three stark realities.

First: COVID-19 will be far from over, at least in the countries in which we invest. Although accelerating deployment of vaccines and (potentially) novel antivirals should ultimately quench the death toll, this will take much of 2022. We also cannot rule out the emergence of new and even more deadly or transmissible variants. Despite President Biden's recent call for the global community to “go big” in tackling COVID-19, the global community is not yet acting at the scale and speed required to defeat the virus swiftly, save millions of lives and restore normality to the global economy.

Second: Until COVID-19 is brought under control, we will be on the back foot on HIV, TB and malaria, seeking to avoid reverses as much as to secure gains. The pandemic is overwhelming health systems, diverting financial and leadership resources, and directly attacking the communities most at risk from HIV, TB and malaria. While we can and will seek to mitigate the damage and sustain progress, we cannot insulate our mission from the ever-evolving crisis.

Finally: We must deliver a successful Seventh Replenishment against unprecedented challenges. The ongoing need for COVID-19 funding and an intensified focus on the imperative to increase investment in pandemic preparedness mean intense competition for both donor and domestic resources. The fiscal shock in donor countries will create pressure to reduce already overstretched overseas development assistance budgets. The deepening economic stresses in the countries in which we invest will exacerbate the challenges of domestic resource mobilization. We always think each Replenishment is more difficult than the last, but this time it is undoubtedly true.

Recognizing these realities does not mean we should be daunted by them. But it does mean that success in 2022 will require every part of the Global Fund partnership to play its role in full. Once again, we must unite around our common purpose and demonstrate our ability to adapt flexibly to this new and dramatically different context while staying true to our mission and values.

I cannot pretend that this report will address all the challenges confronting the Global Fund partnership at this extraordinary moment in our history. However, by taking stock of what we have achieved in 2021, and by sharing our priorities for 2022, I hope to catalyze productive discussions at the Board and across the partnership. As in previous years, this report does not attempt to be a comprehensive depiction of the Global Fund's activities during the year – it is deliberately selective.

Progress against our 2021 priorities

This time last year I set out six priorities for the Secretariat for 2021, which we used amongst other things to inform budget decisions and the setting of personal and team objectives (Figure 1). Any assessment of our progress against these priorities is overshadowed by the terrible reality of what has occurred this year in terms of the millions of lives lost and the devastating damage to communities and economies. Yet from the narrow perspective of answering the question of “Did we do what we set out to do?”, I would say the answer is largely positive. For the most part, we achieved significant progress against the six priorities – whilst acknowledging there is more to do.

Figure 1
2021 Priorities

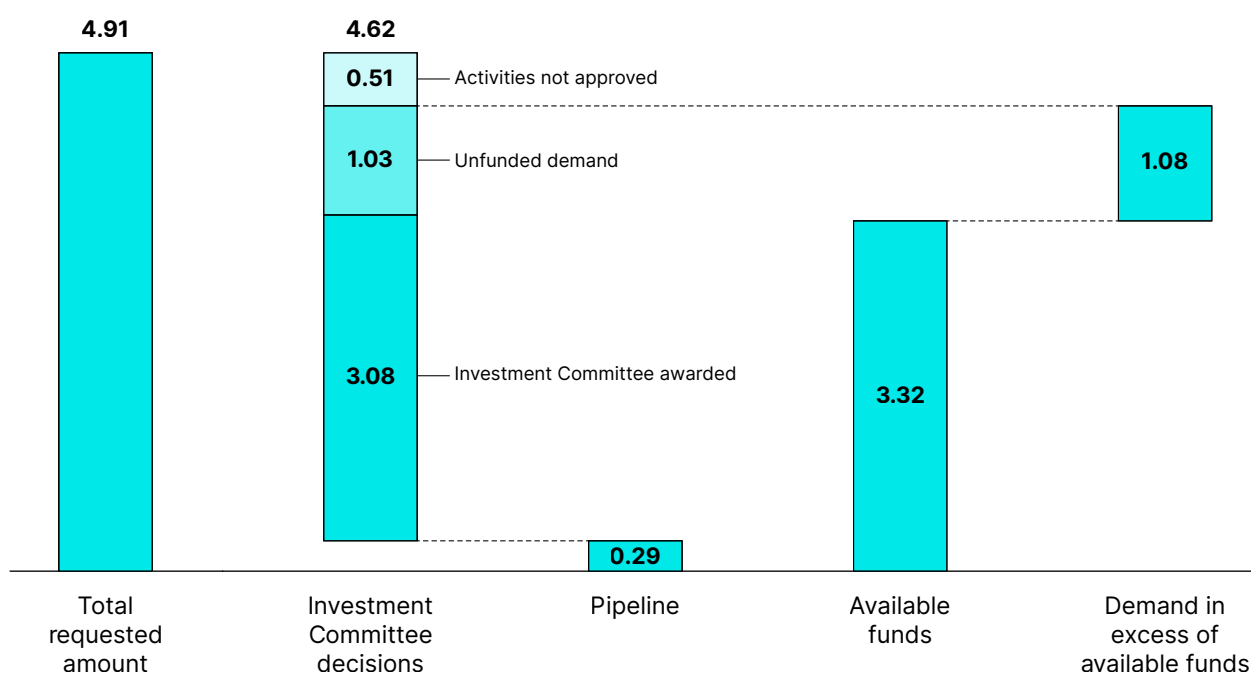
1	Mitigate the impact of COVID-19
2	Launch the next cycle of grants
3	Drive efficiency and effectiveness
4	Invest in people
5	Finalize the next Strategy
6	Prepare for the Seventh Replenishment

1. Mitigate the impact of COVID-19

In 2021 we have taken actions of unprecedented scale to mitigate the impact of COVID-19 on the countries in which we invest, including both its direct impact and the knock-on impact on HIV, TB and malaria:

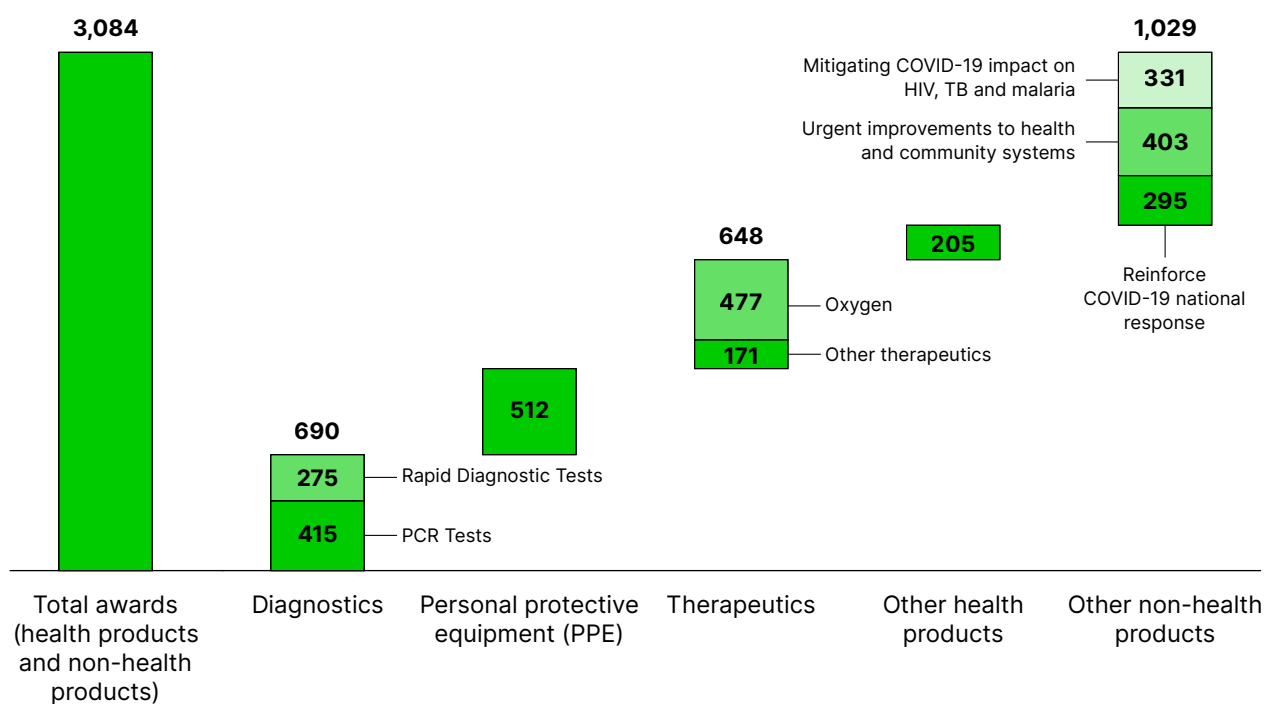
- In March 2021 we refined and relaunched C19RM, building on the lessons of 2020 and drawing on extensive Board and partner input. Since then, C19RM has arguably been the most inclusive, transparent and effective mechanism within the Access to COVID-19 Tools Accelerator (ACT-A) partnership for aggregating prioritized country demand across multiple needs and for making award decisions. No other mechanism has incorporated implementer governments, technical and development partners and civil society at both country and global levels. No other mechanism has enabled explicit prioritization across different components of the response or deployed as much financial support as quickly.
- In 2021, we have secured pledges of US\$3.73 billion to date, including US\$3.5 billion from the United States, US\$154 million from Germany, US\$50 million from Switzerland, and US\$30 million from the Netherlands. This represents by far the largest “off-cycle” (i.e., outside the Replenishment process) resource mobilization ever achieved by the Global Fund. In fact, in combination with the US\$261 million raised in 2020, total “off-cycle” pledges during the Sixth Replenishment period, at US\$4 billion, dwarf the Fifth Replenishment record of US\$232 million.
- Through C19RM we have thus far awarded US\$3.1 billion to 103 countries and 13 multicountry programs to help countries respond directly to COVID-19, mitigate the impact on HIV, TB and malaria services, and make urgent improvements to health systems (Figure 2). Being able to award this amount of funding, across so many countries and across such a diverse set of needs through a rigorous, transparent and inclusive process, is an immense achievement. The Global Fund has been the largest provider of grant support to LMICs across all the non-vaccine components of the COVID-19 response, including diagnostics, therapeutics (including oxygen), PPE and community, human rights and gender-related interventions. Specifically, as of 20 October, we have awarded (Figure 3):
 - US\$690 million for **diagnostic tests**, including US\$415 million for polymerase chain reaction (PCR) tests and US\$275 million for antigen rapid diagnostic tests (RDTs). Together with support for laboratory strengthening, genomic sequencing, technical training, etc., this amounts to US\$821 million in support of the Diagnostic Pillar of ACT-A.
 - US\$648 million for **therapeutics**, including US\$477 million for oxygen equipment and supplies and US\$171 million for other therapeutics. Together with investments in clinical care infrastructure and human resources, this amounts to US\$755 million in support of the Therapeutics Pillar of ACT-A.
 - US\$512 million for **PPE to protect health workers**. Together with other investments in health systems capacities and infrastructure, this amounts to US\$1.06 billion in support of the **Health Systems Connector (HSC) of ACT-A** (now known as the Health Systems and Response Connector (HSRC)).
 - US\$119 million for **community-led interventions**.

Figure 2
COVID-19 Response Mechanism Status at 20 October 2021




All values in US\$ billion and rounded.

Figure 3
COVID-19 Response Mechanism awards by health products at 20 October 2021



All values in US\$ million and rounded. Values above include Fast-track awards, Full Funding requests awarded and/or recommended for Board approval. Other health products include, among others: non-PPE disinfectants, waste management and genomic sequencing.



Of course, making the awards is only the first step. Now our focus is on helping countries translate the awards into effective interventions that save lives and reduce infections across COVID-19 and HIV, TB and malaria. Maximizing the impact of C19RM awards will require intense effort from across the whole Global Fund partnership since it will entail extensive and sustained on-the-ground technical assistance and implementation support. To track progress, identify problems and enable course correction, we are rolling out a comprehensive approach to monitoring and oversight that builds on and extends our latest approaches for HIV, TB and malaria.

While there are clearly risks and challenges in ensuring we maximize the impact of every dollar deployed through C19RM, our biggest problem right now is that we have exhausted our funding for C19RM. As of 20 October, we have US\$231 million left to deploy, but have US\$287 million of expected funding requests under review and US\$1.02 billion of unfunded demand. Moreover, since much of what we are providing are consumable medical commodities, countries are already returning to us to ask for support for repeat orders. To help countries meet the target levels of testing, treatment and protection of health workers set out by ACT-A (and reinforced at the summit hosted by President Biden on 22 September 2021) will take much more money. So far we have been talking about needing a further US\$6.3 billion, but since the revised ACT-A budget envisages a total funding requirement of US\$16.4 billion for the next 12 months for the non-vaccine components of ACT-A, this figure will need to be revised upwards.

There is no disputing the urgency of the need for continued and expanded financial support to countries for these life-saving components of the COVID-19 response. Delta has taught the world that vaccines will not defeat COVID-19. C19RM is a proven mechanism for deploying funds at scale for everything other than vaccines, and there is no obvious alternative mechanism or source of grant funding. It would be a tragedy if an interruption in support through C19RM led to countries having to scale back their COVID-19 responses just when they need to be scaling them up to respond to Delta, but at the moment, this appears to be the most likely outcome.

2. Launch the next cycle of grants

In 2020, despite the disruptions caused by COVID-19, the Global Fund partnership made record progress in submitting Funding Requests for the 2021-2023 implementation cycle and putting them through the Technical Review Panel (TRP), GAC review and grant signing so as to enable launch at the beginning of 2021. In 2021 we have continued this excellent progress. Following the completion of Window 6 in October 2021, US\$12.51 billion, or 98% of total country allocation, has completed TRP review, leaving only around US\$135 million in country allocation funds for review in early 2022.

As of October 2021, US\$11.6 billion of the TRP-reviewed allocation funds have been GAC recommended and integrated into 230 Board-approved grants, alongside four Board-approved catalytic multicountry grants. In addition, 95% of catalytic matching funds (US\$325.5 million) and 68% of catalytic multicountry funds (US\$156 million) have gone through GAC and have been integrated into grants. All catalytic strategic initiatives have been approved by GAC through the significantly more rigorous process put in place for this cycle, but we will need to accelerate implementation given performance to date of only 33% fund utilization against budget (4% of the total three-year envelope of US\$343 million) and 66% achievement of programmatic milestones. This will require effort by all the relevant partners.

Ninety-four percent of country funding grants for the new grant cycle have been signed on time. While we are only in the first months of implementation, the indications for delivery and absorption are encouraging, despite the disruptions from COVID-19, as well as the fact that country allocations are on average 23.4% higher than in the previous cycle. Disbursement levels are higher than ever before after the first six months of the new cycle. Pooled Procurement Mechanism (PPM) volumes for HIV, TB and malaria (so excluding C19RM) in 2021 are up 34% compared to 2020, and up 65% compared to 2018 (the equivalent year in the previous cycle).

To have been able to launch the vast majority of grants on time, despite COVID-19 and taking into account the increased resources from the Sixth Replenishment, is a significant achievement and testimony to the resilience of the partnership. Country Coordinating Mechanisms (CCMs), Principal Recipients (PRs), Sub-Recipients, technical partners and the Secretariat all deserve credit for ensuring that we were not deflected from smoothly transitioning and stepping up between the Fifth and Sixth Replenishment cycles.

The composition of grants in the new cycle reflects our evolving priorities. For example, direct and contributory investments in RSSH have increased from US\$2.7 billion in the last cycle to US\$3.3 billion in the new cycle, and now represent 25.2% of the total. Direct RSSH investments, including significant interventions in health management systems, human resources for health and health product management, now represent 11.2% of total country allocations. Investment in community system strengthening has increased sharply, up 139%.

Other examples of increased investment in critical priorities include investments to tackle human rights barriers in HIV and TB, up 126% and 65% respectively, and investments in community-led monitoring (CLM), up 288% (with further investment in CLM, amounting to over US\$27 million, via C19RM).

In addition to these aggregate achievements, there have been many specific achievements related to the individual diseases, or in the context of the challenges faced by specific countries. Across all three diseases, COVID-19 has stimulated more rapid introduction and take-up of innovations. For example, our investments in HIV self-testing have more than quadrupled, with 52 countries being supported in delivering such interventions compared to 17 in the last cycle. The Strategic Initiative on self-testing, supported by the Children's Investment Fund Foundation, has played an important role in catalyzing this increase.

While many of the challenges confronting countries have been the result of the pandemic, we have also had to respond to unrelated events. For example, in September we deployed US\$15 million (US\$10 million from the Emergency Fund and US\$5 million from grant savings) via

UNDP, our PR in Afghanistan, to prevent the imminent collapse of Sehatmandi, the network of civil society organizations that forms the backbone of Afghanistan's healthcare system. Sehatmandi's viability has been undermined by the cessation of World Bank funding following the Taliban takeover. Without Sehatmandi, our HIV, TB and malaria and COVID-19 interventions in Afghanistan would not be able to continue. Our stop-gap funding should sustain Sehatmandi until November, when we anticipate being replaced by OCHA, which has funding for a further three months. Together we hope this will buy enough time for the World Bank to define a new operating model for the country and resume funding. This swift and pragmatic response to the rapidly evolving situation in Afghanistan has been another demonstration of the Global Fund's ability to work with partners to act quickly to devise and deliver effective solutions to new challenges.

Bangladesh: **Rapid recovery of tuberculosis case notifications**



A patient receives TB medicine at a health facility in Dhaka, Bangladesh. *The Global Fund/Yousuf Tushar/Panos*

Due to COVID-19, TB case notifications in Bangladesh dropped by 22% between 2019 and 2020.

Despite these significant declines, the country achieved a quick return to pre-pandemic notification levels by the end of 2020, and notification rates exceeded targets for the first six months of 2021.

The strong National TB Program, effective collaboration with NGO partners and extensive community engagement activities were key factors that supported Bangladesh's successful recovery.

Global Fund investments contributed to the recovery by supporting the distribution of personal protective equipment (PPE) for health workers, integrating COVID-19 messages into TB campaigns, increasing the number of community outreach events, supporting bi-directional TB and COVID-19 testing, expanding diagnostic tools and recruiting additional laboratory staff.

If Bangladesh's current performance is maintained, national TB notification coverage will reach an all-time high of 84% this year.

3. Drive efficiency and effectiveness

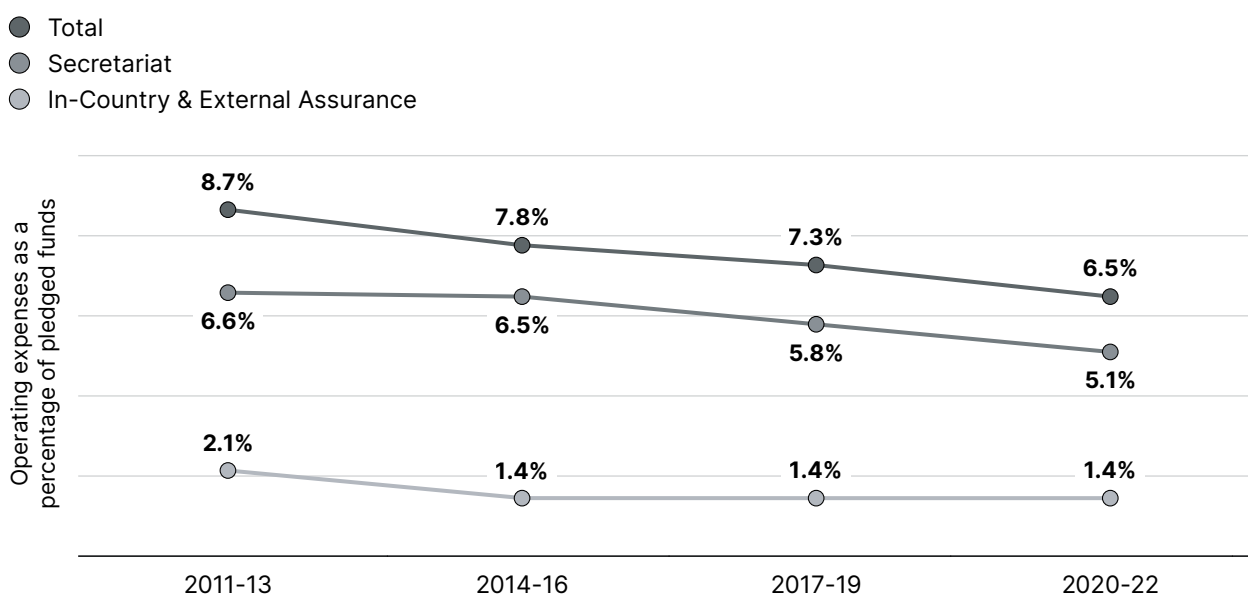
The pandemic continues to be an extremely demanding test of our organizational resilience and agility and a powerful catalyst for greater prioritization and the streamlining of processes. While the crisis has put large parts of the Secretariat under sustained pressure given the significantly increased workload, it has also, as the Office of the Inspector General (OIG) noted in their audit of emergency preparedness, resulted in “significantly improved coordination and collaboration...across the Secretariat.”

Four specific achievements relating to efficiency and effectiveness are worth mentioning:

1. We have been actively using the Business Continuity Plans (BCPs) first established in Q2 2020 to ensure a structured approach to deprioritizing or deferring certain activities to ease workload pressures or release resources. Tracking through Performance & Accountability (P&A) has helped identify processes suffering the most disruption or overload. We are currently reviewing current BCP flexibilities to determine which should be terminated, which should be extended, and which should be mainstreamed as “new normal” operating procedures.
2. We have revised and streamlined the budgeting and forecasting process to enable more effective prioritization of annual and cyclical investments, and more flexible reallocation of resources throughout the year. The OPEX budget for 2022 recommended by the Audit and Finance Committee for Board approval¹ was an output of this revised process.
3. We have successfully completed three major IT projects: the upgrade of our financial and procurement system to Oracle Fusion Cloud; multiple enhancements to our Grant Operating System (e.g., Grant Entity Data, C19RM functionality); and the migration to Microsoft Azure.
4. We have reconfigured several teams across the Secretariat, such as the creation of the Health Finance Department and the merger of the External Relations and Communications divisions.

¹ GF/B46/02 Parts A & B – OPEX Evolution Budget 2022.

Figure 4
Global Fund OPEX as percentage of pledges



The launch and delivery of the second phase of C19RM is a testimony to the Global Fund's organizational agility and our ability to achieve significant scale economies. To establish new processes (such as C19RM Fast-track) and entities such as the COVID-19 Technical Advisory Group (CTAG), able to review and make decisions on funding requests amounting to US\$5 billion from over 100 countries in six months, is not a small achievement.

From a financial perspective, the Global Fund continues to drive down OPEX as a percentage of pledged funds, with Secretariat costs for the current cycle at 5.1% of pledged funds (Figure 4). Incremental OPEX for C19RM is even lower. Since C19RM leverages our core infrastructure and processes, we are delivering C19RM well within the budgeted OPEX of 3% of C19RM total funds.

As well as continuously striving to improve efficiency and impact, we are constantly trying to raise standards across multiple aspects of how we conduct our business across the partnership. One example is the vital arena of preventing sexual exploitation, abuse, and harassment (PSEAH). Learning from our own experiences,

as well as those of other institutions and drawing on expertise from multiple sources, in 2021 we published our Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and the Related Abuse of Power. Through implementing this PSEAH framework, we aim to drive preventive and responsive improvements across the entire Global Fund partnership. In 2021, we established the PSEAH Coordination Unit within the Ethics office, revised codes of conduct for staff, implementers and suppliers, CCMs and governance officials, revamped our internal governance structure with the addition of the PSEAH Steering Committee, completed PSEAH training for senior managers, key staff, and governance officials, and strengthened our capacity for investigations and victim support, in conjunction with OIG.

4. Invest in people

From a people perspective, 2021 has been an immensely challenging year. COVID-19 has meant many of our staff have faced unprecedented workloads whilst also dealing with acute challenges in their personal lives.

In response, and building on what we learned in 2020, we have stepped up communication, deprioritized certain activities, streamlined processes and added new staff. In the first nine months of this year, we recruited 284 staff, 15% more than we recruited in the entirety of 2020. In the Pulse Survey conducted in March 2021, 96% of respondents indicated they had been kept sufficiently informed, and 84% said they felt well supported by their team. However, only 47% believed there were sufficient staff in their team to handle the workload. We have just launched another Pulse Survey with results due in November.

Diversity, equity and inclusion (DEI) have been a key focus this year. Led by the DEI Working Group, we have been celebrating different aspects of diversity every month, rolling out mandatory training on topics like “dignity and respect at work” and “unconscious bias” and commissioning an independent assessment of our DEI maturity. The key findings of this assessment, conducted by PwC, have been shared with staff, and are now being used to shape our DEI strategy, priorities and plan.

Ghana: **Three successful** **anti-malaria campaigns** **amidst COVID-19**



This year, Ghana was scheduled to conduct three anti-malaria campaigns: annual indoor residual spraying and seasonal malaria chemoprevention (SMC) campaigns, as well as the national campaign to distribute insecticide-treated Nets (ITN) – which occurs every three years.

Conducting all three campaigns in a single year is always demanding, but COVID-19 made this work even more difficult. Costs significantly increased for both the SMC and ITN campaigns due to the reallocation of Ministry of Health resources to respond to and mitigate the impact of COVID-19. This threatened to derail both campaigns, which are time-sensitive interventions.

In response, Global Fund C19RM investments were used to support adaptation measures to manage the logistics for the campaigns and provide adequate PPE for those implementing them. Through these additional resources, the National Malaria Control Program was able to successfully implement all three campaigns, despite the challenges posed by COVID-19.

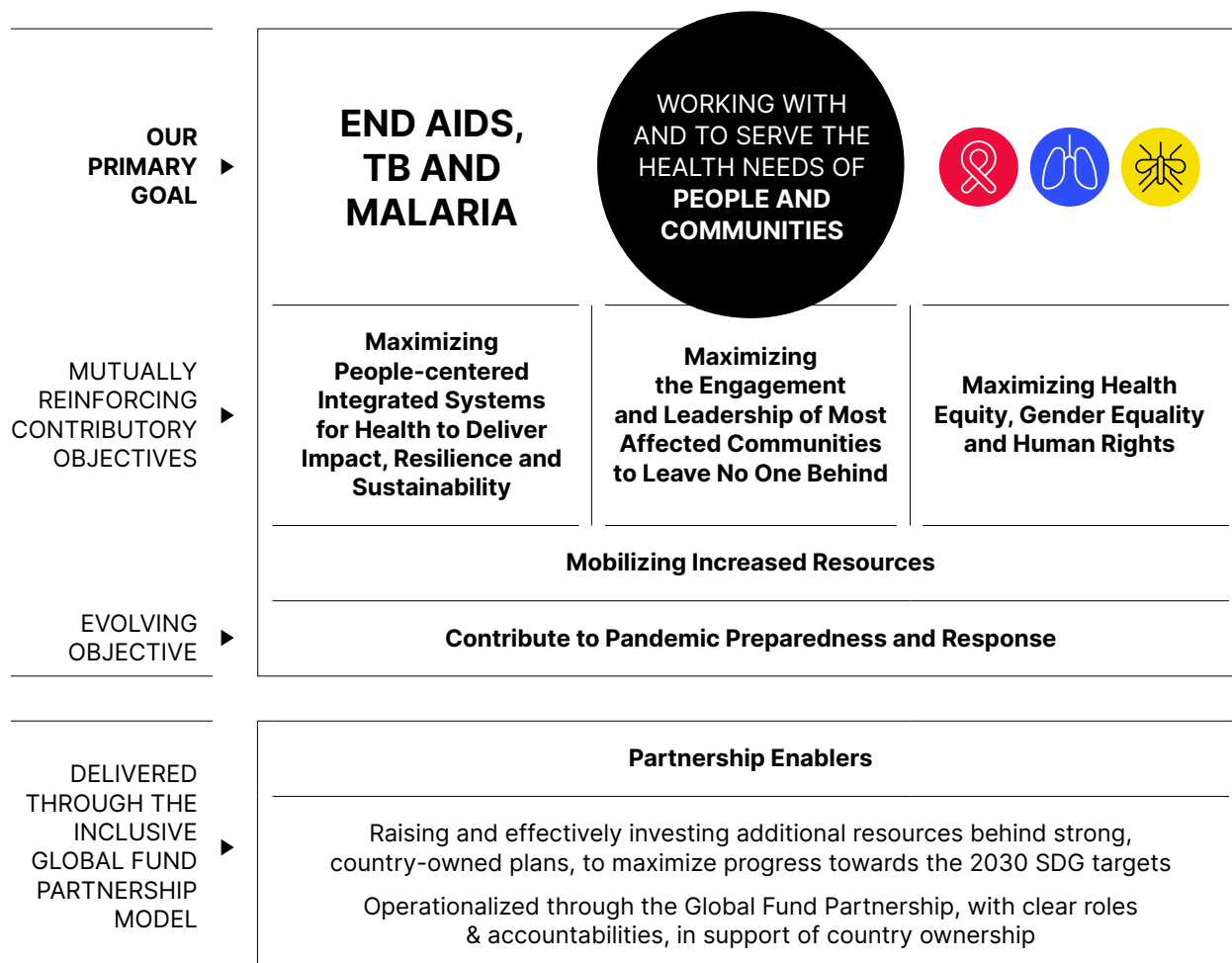
A mother in Ghana places her child under a mosquito net that provides protection against malaria. *Arne Hoel/The World Bank*

5. Finalize the next Strategy and prepare for implementation

At this Board meeting we will be looking for approval of the Strategy Narrative,² following the approval of the Strategy Framework in July 2021 and the recommendation of the Strategy Committee. Approval of the Strategy Narrative represents the culmination of over 18 months of strategic debate, analysis and consultation, guided and led by the Strategy Committee and the Board itself, involving over 350 individuals via the Partnership Forums, some 5,500 individuals through our Open Consultation and hundreds of people across the Secretariat, technical partners and other stakeholders. I am confident that this new Strategy represents a significant step forward from the current Strategy and will enable us to lift the performance and impact of the Global Fund partnership (Figure 5).

Figure 5

The Global Fund 2023-2028 Strategy Framework



² GF/B46/03 – Global Fund Strategy Narrative.

Of course, articulating the Strategy is only the first step toward making it happen, so we have already begun planning implementation. Grants based upon the new Strategy will start in January 2024 with funds from the upcoming Seventh Replenishment. While it might appear we have plenty of time, there are many decisions that need to be taken in 2022 to determine priorities and approaches in the grant-making process in 2023.

In *Next Steps on Preparations for Strategy Implementation*³ separately provided to the Strategy Committee and Board, we outline the timetable for the critical decisions ahead that will set us up to implement the new Strategy.

6. Prepare for the Seventh Replenishment

As we approach the end of the year, we are stepping up the pace of preparations for the Seventh Replenishment. Key preparatory steps we have already taken include:

- Refreshing the brand's visual identity. For the Sixth Replenishment we chose to deploy a campaign-specific visual identity around the slogan "Step Up the Fight" since our core brand's visual impact was too dated and weak to underpin the campaign. Rather than repeat this, in June 2021 we launched a refreshed visual identity for the Global Fund brand, with bolder colors and a more social media-friendly font and format. The launch of the refreshed brand and the 20th Anniversary campaign (both in June 2021) were very well received across the partnership, with many noting the new visual identity's modernity and versatility. One partner remarked, "New look, same life-saving mission" – a comment which perfectly captured the intention.
- Celebrating our 20th anniversary. In line with the launch of our refreshed visual identity, we launched our campaign to celebrate the 20th anniversary of the creation of the Global Fund. This campaign, centered on the theme "Change the Story", comprised multiple events across the world, stories and videos, culminating in a high-profile event during the United Nations General Assembly in September 2021 hosted by Prime Minister Draghi, with participation of many global leaders, including UN Secretary General Guterres, Chancellor Merkel, President Kagame, President Hassan, and Dr. Tedros Adhanom Ghebreyesus.
- Developing our Investment Case for the Seventh Replenishment. Working with partners, we are well advanced in developing the analytical basis for the campaign. While the numbers are not yet finalized, it should not come as a surprise that the estimates of financial resources required to achieve the Sustainable Development Goal 3 (SDG 3) target of ending the three epidemics by 2030 will increase significantly. Since COVID-19 has led to reversals across all three diseases and the 2030 deadline remains unchanged, the required trajectories for reductions in deaths and infections have steepened significantly. Getting back on track toward achieving SDG 3 will inevitably take more money.

3 GF/B46/21 – Next Steps on Preparations for Strategy Implementation.



Priorities for 2022

The Secretariat's priorities for 2022 largely represent a logical continuation of our priorities for this year, given where we are in the grant and Replenishment cycle and the evolving context of the pandemic (Figure 6):

Figure 6
2022 Priorities

1	Get back on track in the fight against HIV, TB and malaria
2	Mitigate the impact of COVID-19
3	Drive efficiency and effectiveness
4	Invest in people
5	Prepare to implement the next Strategy
6	Deliver a successful Seventh Replenishment

1. Get back on track in the fight against HIV, TB and malaria

Our recently published Results Report revealed the scale of the reversals in key programmatic results across all three diseases as a knock-on effect of the pandemic (Figure 7). Sadly, we must anticipate that the results for 2021 will show further reversals, at least in some countries. There are programs and countries that have succeeded in regaining momentum against HIV, TB and malaria through adaptation and innovation, often with the support of C19RM. However, in many countries, new waves of infections and deaths driven by the Delta variant have overwhelmed health systems and caused further disruption to HIV, TB and malaria services.

In 2022 our top priority must be to get back on track against HIV, TB and malaria. In the countries in which the Global Fund invests, COVID-19 will be far from over, but we must still make every effort to restore momentum against HIV, TB and malaria and win back lost ground. Given that 2030 will be only eight years away, we cannot afford to lose any time. This effort will require action and innovation on many fronts, but amongst the most critical levers I would include:

- On HIV, regaining momentum in reducing incidence, with a particular emphasis on precision prevention interventions, and on strengthening interventions to protect adolescent girls and young women in the 13 priority countries. The HIV community has, for the most part, done an extraordinary job in sustaining continuity of treatment for those on anti-retroviral therapy. However, the disruption to preventive services, drops in testing and reductions in enrollment on anti-retroviral therapy are alarming, and must be rectified.
- On TB, reinvigorating case finding, with a particular focus on 20 high-burden and West and Central African countries. Closing the now-widened gap between the number of people falling ill with TB and the number being diagnosed and put on treatment remains vital to restoring progress on beating TB.
- On malaria, ensuring COVID-19 does not impede timely implementation of campaigns (e.g., long-lasting insecticidal nets, indoor residual spraying, seasonal malaria chemoprevention) or case managements through community health workers. We will also be working with partners to optimize the early rollout of RTS,S, the new malaria vaccine. We have been helping fund the development of this vaccine alongside Gavi, UNITAID and WHO. As well as being a welcome new weapon in the fight against malaria, RTS,S should also be a catalyst to developing more rigorous approaches to defining the optimal deployment of tools for specific contexts.

Across all three diseases, we will be looking to:

- Accelerate the deployment and uptake of innovations, building on the lessons learned from the response to COVID-19, where partners have worked together through ACT-A to expedite development, approvals, access and deployment. Translating this intense collaboration and sense of urgency to HIV, TB and malaria could have significant impact, but will require a shift in approach and mindset across the partnership.
- Further leverage the power of communities in reaching those left behind and tailoring services to their needs. Scaling up community-led interventions, including community systems for health and community-led monitoring, is critical to the success of the new Strategy.
- Tackle the resurgence in human rights and gender-related barriers as a result of the pandemic. We have already sought to scale up and mainstream our “Breaking Down Barriers” initiative to tackle human rights and gender-related barriers to accessing health services, but given the negative effect of the pandemic on human rights and gender equity in many countries, we will have to intensify the work of the partnership in this arena.

Figure 7

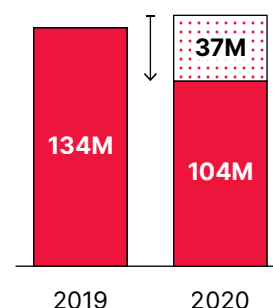
Impact of COVID-19 on key HIV, TB and malaria indicators

Number of HIV tests taken

Change, 2019-2020

By **portfolio**

- Actual
- ⊙ If there was no COVID-19

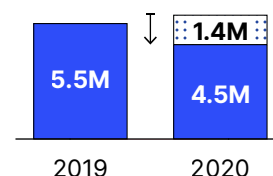


People treated for TB

Change, 2019-2020

By **portfolio**

- Actual
- ⊙ If there was no COVID-19



Suspected malaria cases that receive a parasitological test

Change, 2019-2020

By **portfolio**

- Actual
- ⊙ If there was no COVID-19




The 'If there was no COVID-19' estimates are based on grant targets adjusted by grant performance prior to COVID-19.

2. Mitigate the impact of COVID-19

In 2022 we must continue to help the countries in which we invest respond to COVID-19 and thus mitigate both the direct and knock-on impact of the pandemic. Here I highlight three challenges:

- First, we must ensure that the significant financial resources channeled through C19RM are effectively deployed, so that we maximize the impact of every dollar. This will entail leveraging the strengths of the partnership to provide ongoing technical assistance and operational support, plus continuous monitoring and oversight to enable course corrections, reprogramming, etc. The operationalization of the C19RM Monitoring and Oversight Framework, including periodic Pulse Surveys and Spot Checks, is a key priority in this regard. The reconfiguration of ACT-A's HSC, turning it into the HSRC, with much closer alignment with the WHO COVID-19 Strategic Preparedness and Response Plan, should also facilitate partner coordination on the provision of technical assistance and operational support.
- Second, we will need to determine our role in the next phase of the global COVID-19 support. In 2021 we have been the primary provider of external grant support to LMICs for all the non-vaccine components of their pandemic support. The latest ACT-A strategy and budget envisages a need for a further US\$16.4 billion for non-vaccine support over the next 12 months (with another US\$7 billion for vaccines). If this money is forthcoming, which is far from certain, it would be logical for the Global Fund to be a significant channel for the deployment of non-vaccine support, since we have been the largest provider of such support thus far and have demonstrated our capacity to deploy resources swiftly and effectively. Since the existing Board approval for C19RM only permits pledges up to 31 December 2021 and awards up to 31 March 2022, we will need to consider a further extension of C19RM. Of course, we must be mindful of the risks of diluting the focus on the Seventh Replenishment, but we think this should be manageable, since the timeframes for disbursement and utilization are different and the sources of money are likely to be distinct. I envisage that this will be the subject of a separate recommendation to the Board shortly after our meeting.
- Third, we must work with partners to ensure equitable access and effective deployment of novel antivirals, most notably molnupiravir. If the early trial results for molnupiravir are confirmed, then this new antiviral could potentially be a game-changer in the fight against COVID-19, since it appears to reduce hospitalization for vulnerable patients by around 50%. Particularly in places where vaccination rates remain low, this could have a massive impact on the death toll. The two critical challenges in turning this promise into reality are:
 - First, to secure accelerated and affordable access to the drug for LMICs. Alongside partners, we are already in discussion with Merck and the generics manufacturers that Merck has granted voluntary licenses to. Everyone involved wants to avoid the problems encountered with COVID-19 vaccines. While the dynamics are clearly different, we will have to overcome the same issues of hoarding by rich countries, near-term constraints in manufacturing volume, and pricing and funding.
 - Second, to support countries in developing effective "test & treat" approaches to enable rapid diagnosis and enrollment onto treatment. While many countries have built equivalent clinical pathways for HIV, TB and malaria with our support, these are not yet in place for COVID-19.

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- To play our part in enabling countries to secure access to molnupiravir and deploy it effectively, we anticipate using some of the remaining funding for C19RM. Depending on how the situation evolves, we may need to request Board approval for certain exceptions to our established policies to make this happen (for example, relying on the US Food and Drug Administration's Emergency Use Authorization pending finalization of WHO clinical guidance,

or facilitating ordering in advance of specific country requests). If such exceptions to Board policy are required, we will make specific recommendations to the Board in a separate paper after the Board Meeting.

3. Drive efficiency and effectiveness

In 2022, key priorities for improving efficiency and effectiveness will include:

- Adapting our operating model and governance arrangements to the new environment. For example, through the Future of Work initiative, we will determine the required changes in HR policy, to the Global Health Campus physical environment and technology to optimize hybrid working.
- Continued investment in our technology infrastructure and capacities, with a particular emphasis on data analytics and cyber security.
- Strengthening our oversight of grant implementation, through the revised performance rating approach and refined PR reporting process, including Pulse Checks and supply chain and health service Spot Checks.
- Refreshing our integrated risk management tool and operational risk management framework to reflect the revised Risk Appetite Framework and lessons learned from the pandemic.
- Developing and securing approval for a revised approach to OPEX to support the new Strategy.
- Reinforcing our defenses against unethical and unacceptable conduct across the partnership, with a particular focus on rolling out our strengthened approaches to PSEAH and our Policy to Combat Fraud and Corruption across the partnership.

4. Invest in people

In 2022, our people priorities will be broadly similar to those for 2021, with a focus on:

- Managing workload pressures, through periodic reprioritization of activities and initiatives, continuous streamlining of processes, plus the addition of surge resources where necessary.
- Promoting and protecting the wellbeing of our staff, by working with staff and teams across the organization to build a more pervasive culture of wellbeing, with a particular focus on mental health.
- Leveraging our diversity by making our culture even more inclusive and collaborative. We have taken some important steps on our journey toward understanding and celebrating our differences, but we need to go further to build trust and sensitivity so that everyone can feel valued for who they are and can thus bring their best to our work together. In 2022 we anticipate launching a new vision and strategy for DEI in the Secretariat, drawing on the PwC assessment, staff survey results, and the lessons from our DEI activities in 2021.
- Tackling the perceived barriers to speaking up. This is a key priority in creating a more inclusive culture. We intend to launch a new initiative to address this issue, starting with a staff survey in early 2022 that will help us deepen our understanding of the root causes, and enable us to devise specific solutions.
- Reinforcing Secretariat capabilities in functional domains and particular aspects of global health that are critical to the next Strategy. We have already strengthened our capacities in some key disciplines like health finance, but we will use systematic workforce planning to identify and act on other critical gaps and priorities.
- Implementing our Future of Work approach in a manner that gives our staff greater flexibility to tailor their work lives to suit their personal and family circumstances, without compromising their ability to be highly productive and work effectively with colleagues.

Viet Nam: **Rapid expansion of** **HIV self-testing**



HIV self-testing is a critical tool for improving diagnosis of HIV and reaching those who would not otherwise test. Self-testing has also become one of the five must-haves for countries receiving C19RM HIV funding to address significant declines in testing due to COVID-19.

Viet Nam is one country that quickly implemented a web-based service where people at risk of HIV can access self-tests as well as prevention supplies such as condoms, lubricants, needles, and syringes. People place an order online that is delivered to their homes on the same day. The web platform also provides users with useful health information on HIV and the contact details of service providers.

As of June 2021, the program had reached more than 3,200 people and will be implemented in 10 more provinces next year.

A man conducts an HIV self-test in Viet Nam.
PATH

5. Prepare to implement the next Strategy

Assuming the Board approves the new Strategy, as laid out in *Next Steps on Preparations for Strategy Implementation*,⁴ we will immediately switch focus on how to implement it. The new Strategy begins in 2023, and the new grant cycle based upon it will commence implementation in January 2024. To launch grants at that date that fully reflect the intent of the Strategy, we must start preparing now. For example, in 2022 we will need to:

- Ensure that key design parameters for the 2024-2026 grant cycle, such as the allocation methodology and eligibility criteria, are aligned with and support the new Strategy.
- Make decisions on catalytic funding to provide extra support and stimulus to critical priorities within the new Strategy.
- Establish the overall approach to performance management for the partnership, including refined Key Performance Indicators, new P&A metrics for the Secretariat, and new ways of reinforcing accountability of partners.
- Implement the new approach to independent evaluation being put to the Board for approval.⁵ We see adoption of this new approach as a significant opportunity to reinforce the learnings from rigorous and robustly independent evaluations of our activities.
- Structure incentives and operations to deliver on the 10 key changes outlined in the Strategy.

Across many aspects of the new Strategy it is clear *what* we want to achieve, so the focus in 2022 will be on *how* we make this happen. However, in some areas there is still some work to do to define precisely what role the Global Fund should play and what we should seek to achieve.

One example is climate change. It is clear that we need to adapt our operating model to mitigate the direct impact of our activities on the environment. Examples include ensuring that as COVID-19 restrictions ease, we still constrain travel, and embedding sustainability into our procurement practices. As changes in temperature, rainfall, and storms (and the consequent changes in human behavior) affect the epidemiology of the three diseases, the extent to which we will have to adapt our grant priorities is somewhat less clear. We are already seeing changes in malaria transmission as a result of climate change, and over the next Strategy period, such changes are likely to become much more significant. Resilience to climate change, within the context of a broader One Health approach, will become a much more important attribute of RSSH.

⁴ GF/B46/21 – Next Steps on Preparations for Strategy Implementation.

⁵ GF/B46/05 – Independent Evaluation Function.

A second – and not unrelated – example concerns our evolving objective of contributing to pandemic preparedness and response. Through C19RM we have already demonstrated the capacity of the Global Fund to be a highly effective contributor to pandemic *response*. We have also made significant contributions to *preparedness* as a by-product of our disease-specific investments and our broader investments in systems of health. Yet so far we have not made *intentional* contributions to preparedness, such as deliberately building multipathogen capabilities and surge capacity on top of HIV, TB and malaria-specific investments. How far we should go down this route remains for us to determine together, informed by the ongoing discussions at the G7, G20, World Health Assembly and other forums about how the world should approach this crucial challenge.

The ultimate test of our implementation of the new Strategy will be the pace at which we can reduce the death toll and incidence of HIV, TB and malaria. Underpinning this overarching goal, we will need to assess our performance against the Strategy's mutually reinforcing contributory objectives around people-centered systems, communities, and equity and rights, as well as the evolving objective of contributing to pandemic preparedness and response.

There is much that will be different and challenging to implement in the new Strategy. The 10 key changes set out to answer the question “What is different about this new Strategy?” in the introduction to the Strategy Narrative give a sense of the scale of change (Figure 8). We will only succeed in delivering the Strategy if we work together to resolve the inevitable trade-offs and surmount the numerous implementation challenges.

Mozambique: Transforming the national laboratory system



A laboratory technician of the National Health Institute in Mozambique processes samples for COVID-19 diagnosis.
Herminio Cossa

When the COVID-19 pandemic hit Mozambique the public health laboratory network was centralized and experienced frequent supply stockouts. The country was only able to conduct 600 COVID-19 tests a day for a population of 30 million people and the turnaround time for results was too long.

Through C19RM funding, Mozambique's Ministry of Health gained access to international stockpiles of COVID-19 diagnostics, which increased testing capacity, expanded access to testing and strengthened the laboratory network's ability to respond to the increasing demand for tests. Rapid antigen test were also provided.

Laboratory staff received training to decentralize testing, which has reduced sample transportation time, provided remote communities with access to testing, increased testing capacity and improved response time.

Mozambique currently has COVID-19 PCR testing capacity in every province, and three provincial public health laboratories have been equipped, renovated or rebuilt with Global Fund investments. Mozambique conducted more than 5,000 tests a day during the third wave of COVID-19.

Figure 8

What is different about the new Strategy?⁶

1 Across all three diseases, an intensified focus on prevention.	We have made better progress on saving lives than on reducing infections, but to end the pandemics, we have to cut new infections dramatically, including among key and vulnerable populations.
2 Much more emphasis on integrated, people-centered services,	rising above disease silos to build RSSH that protect people from multiple pathogens, address their holistic needs and underpin health and wellbeing for all.
3 A more systematic approach to supporting the development and integration of community systems for health,	recognizing the vital role they play in combatting the three diseases and reinforcing system resilience and sustainability.
4 A stronger role and voice for communities living with and affected by the diseases,	reinforcing this unique strength of the Global Fund partnership and tackling barriers to effective participation and leadership, to put the most affected communities at the center of everything we do.
5 Intensified action to address inequities, human rights and gender-related barriers,	scaling up and strengthening current activities, building on our experience, and raising our level of ambition.
6 Greater emphasis on programmatic and financial sustainability,	to ensure the progress we achieve can withstand shocks and reversals, and that the momentum can be sustained.
7 Greater focus on accelerating the equitable deployment of and access to innovations,	working with partners to take an end-to-end view to rapidly address bottlenecks to deployment to those most in need.
8 Much greater emphasis on data-driven decision-making,	by investing in systems and capabilities to enable the rapid generation, analysis and use of high-quality, disaggregated data.
9 Explicit recognition of the role the Global Fund partnership can and should play in pandemic preparedness and response,	given the knock-on impact of pandemics on HIV, TB and malaria, the unique positioning of the Global Fund in this arena, and acknowledging the need to define roles and responsibilities in collaboration with our partners.
10 Clarity on the roles and accountabilities of Global Fund partners across every aspect of the Strategy	to ensure we hold each other mutually accountable in delivering this Strategy.

6 GF/B46/03 – Global Fund Strategy Narrative.

6. Deliver a successful Seventh Replenishment

A prerequisite to successful delivery of the new Strategy will be securing sufficient financial resources.

While the Investment Case is not yet finalized, there is no doubt that the total financial resource requirements to fight HIV, TB and malaria have gone up significantly. With only eight years to achieve SDG 3 of ending the epidemics by 2030, we will likely start 2022 further back than we began 2020 given the reversals as a result of COVID-19. The trajectory we need to hit, in terms of reducing deaths and infections, will need to be even steeper, and that will take more money.

Moreover, domestic resourcing and other bilateral and multilateral sources of funding are likely to be under pressure, given a combination of diversion toward COVID-19, and the fiscal capacity constraints resulting from the economic effects of the pandemic. So the gap the Global Fund must seek to fill will be even larger.

Meanwhile, our donors face both acute fiscal constraints and a host of competing demands. In 2022 the Global Fund's Seventh Replenishment will be competing with ongoing demands for COVID-19 funding, as well as the G7/G20's ambition to invest more in pandemic preparedness. The ACT-A new strategy and budget for the next 12 months calls for a further US\$23.4 billion. The G20 High Level Independent Panel on Financing Preparedness recommended the proposed Global Health Threats Fund be resourced to invest US\$10 billion per year.

Our plan for the Seventh Replenishment is set out separately in the Update on *Resource Mobilization and the Seventh Replenishment Action Plan*.⁷

Two conclusions jump out:

- First, we must position the Global Fund's Replenishment narrative within the broader agenda of defeating COVID-19 and protecting the world from future threats. We must demonstrate that finishing the fight against the earlier pandemics of HIV, TB and malaria, ending the current pandemic, and preparing for future pandemic threats are not distinct, competing priorities, but should be seen as complementary dimensions of an overall effort to make everyone safer from infectious disease. We need to convince donors that the best way to protect their own people, as well as to reduce global health inequities, is to turbocharge the fight against the existing pandemics, including both HIV, TB and malaria and COVID-19. As the last two years have vividly demonstrated, the systems, infrastructure and capacities we put in place to fight existing infectious diseases are the best foundation for pandemic preparedness and response.
- Second, we must work together. Securing a successful Replenishment will take the determined effort of the entire partnership. Only if we are united and passionate in articulating the imperative to get back on track against HIV, TB and malaria will we convince donors to pledge the money we need.

⁷ GF/B46/20 - Update on Resource Mobilization and the Seventh Replenishment Action Plan.



Concluding remarks

There is no escaping the fact that 2021 has been a terrible year for the people we serve, with massive loss of life, acute economic hardships and prolonged disruption to health, education and other services as a result of the pandemic. Sadly, it would be dangerous to assume 2022 will be better. COVID-19 is far from defeated. Further variant-driven waves of infections and deaths could cause huge loss of life and knock us further off track on HIV, TB and malaria. The economic and social scars will become harder to heal the longer the crisis lasts.

We can ensure 2022 is better than 2021 for everyone in the world, wherever they live, but this will require a much bolder and more comprehensive global response to the crisis than we have seen thus far. Right now, and despite huge efforts by many in the global health community, we have a two-track, lopsided global response – deeply inequitable, overly reliant on vaccines, and too often blind to the devastating knock-on impact of COVID-19 on other health challenges, not least HIV, TB and malaria. The global community needs to step up the response to the pandemic, and the Global Fund partnership needs to be ready to play our part – as we have done thus far.

I am deeply proud of the way the Global Fund partnership has risen to this extraordinary test. Together, we have shown an unprecedented ability to adapt to this rapidly evolving crisis and act swiftly and at scale. As we enter 2022, we must sustain this agility, sense of purpose and unity. So many of the poorest and most vulnerable people and communities in the world depend on us for their lives and health.

I would like to thank the Board and Committees, technical partners, civil society and community partners, donors and implementer governments for your intense collaboration and commitment to our collective mission. I would like to thank the staff of the Secretariat for once again demonstrating extraordinary professionalism, passion and determination to get the job done. Above all I would like to acknowledge and thank front-line health workers across the world for their courage, commitment, and tireless efforts to save people's lives from HIV, TB and malaria and COVID-19.