

Report of the 46th Board Meeting

GF/B46/22
46th Global Fund Board Meeting
8-10 November 2021, Virtual

Board Decision

Purpose of the paper: This document presents the Report of the 46th Board Meeting, held virtually on 8-10 November 2021.

Purpose

This document presents the Report of the 46th Global Fund Board Meeting, held virtually from 8-10 November 2021.

Agenda items. The Meeting comprised of eight (8) agenda items, including one (1) executive session.

Decisions. The Report includes a full record of the seven (7) Decision Points adopted by the Board (Annex 1).

Documents. A document list is attached to this Report (Annex 2). Documentation from the 46th Board Meeting is available [here](#).

Presentations. Presentation materials shown during the meeting are available to Board Members on the [Governance Portal](#).

Participants. The participant list for the 46th Board Meeting can be consulted [here](#).

Glossary. A glossary of acronyms can be found in (Annex 3).

Decision

The Report of the 46th Board Meeting was approved by the Board of the Global Fund via electronic vote on 11 February 2022 (GF/B46/EDP11).

Table of Contents

Purpose	2
Decision	2
Table of Contents	3
Agenda Item 1: Board Meeting Opening	4
Agenda Item 2: Report of the Executive Director	4
Agenda Item 3: Strategy Development and Strategy Narrative	7
Agenda Item 4: Allocation Update and Global Disease Split	9
Agenda Item 5: Progress Report of the OIG	12
Agenda Item 6: Risk Appetite and Risk Management Report	15
Agenda Item 7: Independent Evaluation Function	16
Agenda Item 8: Corporate Work Plan and 2022 OPEX Budget	18
Agenda Item 9: Update on Resource Mobilization and the Seventh Replenishment Action Plan	21
Agenda Item 10: Board Meeting Closing	24
Annex 1. Decisions Taken at the 46th Board Meeting	1
Annex 2. Board Meeting Document List	6
Annex 3. Glossary of Acronyms	7
Annex 4. Written Statements received from Constituencies	8

Agenda Item 1: Board Meeting Opening

1. The Board convened virtually on 8-10 November 2021 for the 46th Board Meeting, following pre-meeting sessions held on 3-4 November. A closed session of the Board was held on 10 November. Quorum was confirmed on all meeting days. The Vice-Chair of the Board, Roslyn Morauta, welcomed participants and guests.
2. The Vice-Chair acknowledged that the unprecedented health, economic and social impact of the Covid-19 pandemic continues to threaten critical gains made in the fight against HIV, TB, and malaria. She commended progress on vaccinations and the other pillars of the ACT-A, emphasizing that: protecting people, creating conditions for launching proper recovery, and global cooperation remain at the centre of getting back on track towards meeting global disease targets. The Vice-Chair also recognised the critical decisions before the Board at the meeting, highlighting that these will guide the Global Fund's direction towards 2030. She encouraged constructive discussion and solidarity in delivering on the Global Fund's mission.
3. The traditional candle of remembrance to commemorate victims of AIDS, tuberculosis, and malaria was lit by a representative of the European Commission, Belgium, Italy, Portugal and Spain constituency, Ms. Gabriela Fesus. Ms. Fesus encouraged global solidarity, leadership, and unity to reduce the detrimental impact of the COVID-19 pandemic on the three diseases. 20 years after the Global Fund was established there is strong evidence of the critical role of the partnership in reaching key and vulnerable populations. She encouraged the Board to continue to 'step up the fight' with a particular focus on addressing social barriers and inequities, to reach those most at risk.

Decisions

4. The Board unanimously approved the decisions to appoint Gabriela Fesus, from the European Commission, Belgium, Italy, Portugal and Spain constituency as rapporteur for the 46th Board meeting ([GF/B46/DP01](#)) and to adopt the agenda of the meeting ([GF/B46/DP02](#)).

Agenda Item 2: Report of the Executive Director

Presentation

5. The Executive Director (ED) opened the session by reflecting that any assessment of 2021 must start with the sobering fact that it has been a disastrous year for many people in the countries served by the Global Fund. Reflecting on the impact of COVID-19 on the fight against the three diseases, and on its long-lasting socio-economic consequences, the ED noted that the biggest determinant of how quickly we get back on track against the three diseases will be the global community's ability to defeat the new virus. The ED articulated his view that there was a pressing need to step up the scale and speed of the global response.

6. Against this background, the ED recognized the extraordinary achievements of the partnership, including the rapid set-up of the COVID-19 Response Mechanism (C19RM) and other multiple advances on the strategic and operational agenda outlined in the Executive Director's report (GF/B46/07). Referring to the priorities for 2022, the ED noted that a number of the most critical priorities were agenda items at the meeting, such as the decisions concerning independent evaluation, the global disease split, and the 2023-2028 Strategy, as well as discussion on preparations for the Seventh Replenishment campaign.
7. In relation to the new Strategy, the ED commended the work of all involved in the rigorous and highly consultative process and commented on the importance of translating the Strategy's commitments into reality, including putting communities at the centre, firming up the evolving objective on pandemic preparedness and response (PPR), and focusing on climate change.
8. The ED provided additional reflections and responses to constituency statements, noting that themes from constituency inputs would be discussed in various agenda items during the meeting.
9. In response to constituency statements, the ED outlined the continuing efforts and intense activity of ACT-A, commending the process of reconfiguring ACT-A 's Health Systems and Response Connector as a concrete example of increasingly close cooperation between global health actors (in this case, the Global Fund, WHO and the World Bank). Secondly, the ED underlined the safeguards to the independence of the proposed independent evaluation function, noting the oversight by an independent evaluation panel, direct line of communication to the SC and Board, and further safeguards such as OIG review. The ED emphasized his commitment to ensuring the independence of the evaluation function, since this is essential to its added value. With regards to human rights and gender-related barriers resulting from the pandemic, the ED expressed concern at the way the crisis had led to encroachments on rights and increases in gender-based violence in some countries, noting that the partnership as a whole should be mobilized in response and that broader political advocacy is required. Regarding C19RM, the ED noted the need for more funding in the context of the new ACT-A budget requiring increased support of \$16.4 billion for support to LMICs for the non-vaccine components of the response between now and September 2022. The ED confirmed that the Board would shortly receive a paper from the Secretariat proposing the extension of C19RM to September 2022. The ED further commented on the importance of support to countries to access emerging antivirals, and implement the test and treat programs required to utilize them effectively.
10. The ED thanked the Board members and constituencies for their engagement, support, and ideas, acknowledging a particularly challenging and demanding year. He concluded the presentation by underscoring the importance of the upcoming Replenishment, and stressed the need to mobilise the entire partnership to ensure its success, despite the challenging context.

Board Discussion

11. The Board thanked the ED, the Secretariat, and the partnership for the impressive work and achievements this year. Board Members underlined the importance of the following areas in their feedback to the ED:
12. **Sexual exploitation, abuse, and harassment (SEAH):** Board members stressed the importance of being proactive in addressing SEAH, welcoming future updates on the Operational Framework on the Protection from Sexual Exploitation and Abuse, Sexual Harassment, and the Related Abuse of Power.
13. **Human rights (and communities):** Board members emphasized that addressing human rights-related barriers is mission critical for the Global Fund and should be prioritized. The Board underlined that communities, key populations and vulnerable groups are central to the Global Fund's work, and underscored the importance of translating the new Strategy's commitment to our people and communities at the centre of the Strategy into reality.
14. **Climate change:** Board members emphasized that the Global Fund needs to increase its efforts on climate change, with risk management playing a crucial role. Sustainability with regards to procurement should also be considered.
15. **C19RM:** Board Members extended appreciation for the transparency, agility, and flexibility of the C19RM process. Leveraging learnings from C19RM will be key to ensure sustainability of these efforts. The Global Fund should continue its efforts via ACT-A and build on its unique strengths to strengthen the COVID-19 response and further mitigate the effects of COVID-19 on HTM and malaria. Cross cutting elements like innovation, and addressing community, right, and gender related barriers will be needed to get back on track in the fight against HTM. The Board acknowledged staff well-being as a priority, given the increased workload caused by C19RM, and the stresses arising from the crisis more generally. Constituencies expressed support for the proposed extension of C19RM, while asking various questions about how this might work, and stressing the importance of avoiding competition with the Seventh Replenishment.
16. **Strategy:** Board Members stressed the importance of moving to strategy implementation planning without delay, and the need for a roadmap on operational implementation of the Strategy. The Board extended appreciation for identifying within the narrative what will be different in the new Strategy, especially since delivering the Strategy during the pandemic may well entail increased risks.
17. **Pandemic Preparedness and Response (PPR):** The Board expressed the need for the Global Fund to develop an articulation of its role in PPR, while recognizing the challenges of doing this without greater clarity on the overarching framework and approach being adopted by the G7/G20. Board members expressed their conviction that the Global Fund can deliver powerful contributions to PPR, in partnership together with other stakeholders within the global health architecture.

18. **Seventh Replenishment:** Constituency comments recognized the challenging, but also critical nature of the Seventh Replenishment and expressed readiness to support, calling on partners and countries to make this upcoming replenishment a success, noting that C19RM should not undermine the investment case.

Executive Director's Response

19. The ED appreciated the supportive remarks of the Board in this challenging period, acknowledging that these would be relayed to staff. Thanking the Board for the comments received, he noted that the majority of the themes would be discussed in other agenda items.
20. In closing, the ED gave his personal assurance on his commitment to driving the PSEAH agenda, and noted the Board's perspectives on potential extension for C19RM, indicating this, and potential adjustments to procurement policy and parameters of C19RM, would be the subject of later engagement and Board papers, following the meeting.

Agenda Item 3: Strategy Development and Strategy Narrative

Presentations

[GF/B46/03 Rev.1 Approval of the Global Fund Strategy Narrative](#)

21. The Board Chair opened the session, framing the decision on the Strategy Narrative as the concluding milestone in the two-year Strategy development process, and noting the extensive constituency input that had been incorporated into the document recommended by the Strategy Committee.
22. The SC Chair highlighted that the Strategy Narrative had been developed through a highly consultative **process and** noted that two amendments had been received to the Strategy Narrative decision point. These amendments were proposed to highlight the upcoming March 2022 SC and May 2022 Board presentations on preparations for Strategy implementation, and the engagement of the Board, Secretariat and Standing Committees in Strategy implementation. The amendments had been reviewed and considered in line with the intent of the SC recommendation, with the revised decision point now before the Board.
23. The Secretariat thanked the SC, Board, and wider constituencies for their input throughout the Strategy development process, echoed Board appetite to move forward towards Strategy implementation, and noted many of the key upcoming decisions to be made by the Board in preparation for implementation following approval of the Narrative. The Secretariat highlighted several features of the new Strategy that will position the Global Fund partnership to contribute to achievement of the global partner strategies and the 2030 targets. They gave an overview of input received through constituency statements to guide preparations for Strategy implementation. Should the Board approve the Strategy Narrative during this session, the Secretariat noted that the Board-approved Strategy Narrative document and a formatted

executive summary document would go online at the close of the Board, and that in mid-December, a publication-style version of the Strategy would be made available. The Board Chair then opened the floor for discussion.

Board Discussion

24. Board Members thanked the Board, SC and Secretariat for the inclusive and constructive Strategy development process **and** noted its alignment with partner strategies and goals. Broad support was expressed for the SC-recommended [Strategy Narrative \(GF/B46/03_rev1\)](#), the revised decision point and the Strategy's scope, focus and ambition.
25. A number of Board Members highlighted different areas within the Strategy of importance to their constituencies, and underscored appetite for moving forward towards preparations for Strategy implementation.
26. Areas highlighted by Board Members to help guide preparations for Strategy implementation included:
- (i) the development of a clear implementation plan with milestones;
 - (ii) a focus on delivering the key changes outlined in the Strategy (including the top 10 aspects that are new about the Strategy) using both existing levers and by identifying where new solutions or operational changes are needed;
 - (iii) the utility of a mid-term review of the Strategy;
 - (iv) the importance of designing a robust M&E framework and KPIs to measure progress, supported by a theory of change;
 - (v) the importance of continuing to engage constituencies and partners in preparations for implementation; and
 - (vi) the importance of implementation being overseen by the SC and Board.
27. Several Board Members celebrated the new direction guided by the Strategy and emphasized that proof of its effectiveness will be in its implementation. The Eastern and Southern Africa (ESA) constituency Board member noted that the Strategy Narrative reflects the input of the ESA and West and Central Africa **constituencies on** the role of implementer governments. Looking ahead to 2022 and beyond, it was noted that there may be differences in expectations regarding the level of SC and Board engagement in preparations for Strategy implementation. Welcoming the Strategy's evolving objective on pandemic preparedness and response (PPR), the Secretariat was asked to clarify when future decisions in relation to the evolving objective would be taken.

Secretariat Response

28. The Secretariat clarified that further Board decisions in relation to PPR would need to be taken in 2022 in order to inform the next cycle of grants. They noted that decision making had been somewhat delayed owing to lack of consensus across the global health architecture in relation to PPR. The Secretariat

highlighted that they are actively working with partners in this area, for example, to inform equitable access to novel therapeutics for COVID-19.

29. In relation to Strategy implementation, the Secretariat recalled the document submitted to the Board ([GF/B46/21](#)) on next steps for preparations for Strategy implementation and emphasized that they look forward to returning to the SC and Board in the first half of 2022 with more details, as scheduled. They agreed that there may be some potential differences between Board and Secretariat expectations on the granularity of SC and Board oversight of Strategy implementation, which will need to be addressed by SC and Board Leaderships. They underscored that the Secretariat is committed to ambitious implementation of the new Strategy, and thanked constituencies for their work throughout Strategy development.

Decision Point

30. The decision point passed with 19 votes in favor (GF/B46/DP03), and one abstention by France,

Conclusion and Action Point

31. The Board and SC Chairs, Vice Chairs and Executive Director thanked constituencies for their commitment and input into the Strategy development process and welcomed the newly approved, more rigorous, and actionable Strategy to guide the partnership's efforts towards achievement of the 2030 targets and to inform the Investment Case and preparations for the 7th Replenishment.
32. The Secretariat will update the SC and Board on the approach for preparations for Strategy implementation at their meetings in March 2022 and May 2022 respectively.

Agenda Item 4: Allocation Update and Global Disease Split

Background

[GF/B46/04 Rev1 Global Disease Split for the 2023-25 Allocation Methodology](#)

33. In advance of the meeting, the Board received the recommendation of the Strategy Committee on the Global Disease Split, which put forward two options for Board consideration. The document shared outlined the proposal and background, including the following key considerations:
- i. Reviewed every three years as a parameter of the allocation methodology, the global disease split (GDS) determines the overall split of resources across components for country allocations. There are many other policy levers besides the GDS that impact overall funding across disease and RSSH programs based on country contexts, including program split flexibilities, catalytic funding, and additional funds from C19RM.
 - ii. Since March 2021, the Strategy Committee (SC) has conducted an in-depth review of the GDS by examining whether the latest evidence supports a directional change in the split, what is the appropriate degree of change given existing investments, and what are the options to change the

split compared to other policy levers. There was SC convergence towards giving greater support to TB and the importance of protecting allocations in low-income countries and mitigating the impact on HIV and malaria programs. Although there was some SC convergence towards supporting the Secretariat-recommended option of changing the split based on available funding, there was no consensus position. The SC therefore recommended that the Board consider two options for decision:

- a. Maintaining the status quo split at 50% HIV/AIDS, 18% tuberculosis and 32% malaria;
 - b. Changing the global disease split based on available funding.
- iii. The paper presented a summary of the evidence that led to the SC conclusions, including the increase of TB's share of deaths among the three diseases since the GDS was determined, the disproportionate impact of COVID-19 on TB, and the continued reliance of TB and malaria programs on external financing from the Global Fund.
 - iv. Balancing an increased share for TB to better align to burden with protecting progress in HIV and malaria, the Secretariat-recommended option was to change the split based on available funding, where the current split would be applied to funds up to US\$ 11 billion, and a new split of 45% HIV, 25% TB and 30% malaria would be applied to additional amounts above \$11 billion. Other options were proposed by some constituencies and technical partners that would more aggressively increase the TB share. However, these were not recommended as changes to the split at lower funding levels would shift funds further away from low-income countries and result in reductions to HIV and malaria allocations that would prevent scale-up in high burden countries.
 - v. A timely decision on the GDS is critical to the roll-out of 2023-2025 allocations, as a delay would have cascading effects on other important aspects of the allocation methodology, including the review of disease burden indicators and the prioritization of catalytic investments.

Opening

34. Opening the session, the Board Vice-Chair and the SC Chair recognized the immense complexities and challenges of the GDS decision, and that all constituencies have contributed towards reaching a compromise. Based on extensive discussions seeking to address constituency concerns, a revised Decision Point ([GF/B46/DP04](#)) was presented for Board consideration, which modified the Secretariat-recommended option by shifting the threshold for changing the split from US\$ 11 billion to US\$ 12 billion, to provide more protection for HIV and malaria programs. The amendments requested the Secretariat, partners, and committees to:

- i. Present a proposal to leverage catalytic investments to mobilize additional resources to reduce TB deaths at the 47th Board meeting;
- ii. Explore the use of other policy levers, including portfolio optimization, to more effectively address TB incidence and mortality in high burden countries;

- iii. Continue to pursue domestic co-financing and innovative financing opportunities to increase funding for TB; and
- iv. Commission an external evaluation of the Global Fund's approach to resource allocation, in consultation with the SC, Secretariat and technical partners, to inform evidence-based decisions ahead of the 8th replenishment.

Board Discussion

35. The Board agreed that TB mortality needed to be urgently addressed, but there were diverse views on the best approach to do so while ensuring continued progress in HIV and malaria programs.
36. **COVID-19 impact:** Technical partners reminded the Board that the past year has seen an increase in TB deaths and a decline in global resources caused by the pandemic. Several constituencies emphasized that the health systems and economies of low-income countries were strongly impacted by the pandemic, and their recoveries will likely be longer than middle-income countries. Protecting low-income allocations remains critical.
37. **Other policy levers:** The importance of other policy levers was highlighted, including the potential for catalytic investments to address TB deaths in a more targeted way, and opportunities to mobilize additional resources through innovative financing and domestic resources. There is also a continuing need to examine how investments in the disease programs are implemented at country-level and in support of resilient health systems.
38. **Process:** There were concerns around reviewing the GDS separately from the rest of the allocation methodology, and some expressed preference for a more holistic approach. The Board agreed that the independent review of the allocation methodology as a whole before the 8th replenishment would be beneficial for future decision-making. There were some questions about the engagement of technical partners throughout the process.
39. **Options considered:** Some constituencies expressed support for other proposals that would give a more significant increase in resources to TB at lower or similar funding levels as 2020-2022 allocations. Other constituencies expressed concerns that changing the GDS was too blunt of an instrument to address TB mortality, noting that there continue to be important financing needs in the other diseases, particularly considering the availability of new technology. It was emphasized that any change in the split cannot come at the expense of vulnerable populations.
- a. Many constituencies noted that the amended Decision Point provides a compromise to accommodate diverse constituency perspectives, balancing between an incremental increase for TB and minimizing the detrimental impact on HIV and malaria. The amendments in the revised Decision Point on strengthening the use of other policy levers were welcomed as important provisions to ensure a holistic approach to addressing the TB crisis.

40. **Replenishment:** Given the significant financing needs and issues discussed, the Board reiterated the commitment of all partners to collaborating and ensuring a successful 7th Replenishment.

Secretariat Response

41. The Secretariat thanked the Board for their inputs and confirmed that all views were considered, noting that this challenging decision does involve trade-offs. The decision is a critical one to enable work on the allocation methodology and the investment case in advance of the 7th replenishment. The GDS is a necessary parameter that allows the allocation methodology to drive funding to highest burden countries with lowest economic capacity.

- i. **Process:** It was noted that technical partners presented data and information on the three diseases at the July SC and contributed to the October SC discussions on the GDS. The review considered the potential negative impact of all options, which was why the SC recommended that protecting low-income countries remains a priority.
- ii. **Other policy levers:** The SC was reminded that the GDS represents a starting point for financing, and that countries retain flexibility to make program split decisions, as demonstrated in the current implementation period with the increase in grant funds for RSSH. Other policy levers, such as portfolio optimization, are not bound by this decision and can be used to address urgent needs. The replenishment remains the greatest lever on funding levels.
- iii. **Options considered:** The Secretariat emphasized that the amended Decision Point achieves what the SC sought to achieve: giving an increase to TB, while balancing with protecting HIV and malaria programs and low-income countries. The allocation methodology is designed to drive funding to high burden and low ability to pay, which means that total financing for low income and high burden regions will increase at similar funding levels.

Decision Point and Conclusion

42. While consensus was not reached in session on day two of the meeting, the Board reconvened on day three, considered additional amendments to the decision, and reached consensus.

The Board unanimously approved the [Global Disease Split Decision Point \(GF/B46/DP04\)](#).

43. The Board Vice-Chair concluded that this challenging decision demonstrated the mettle of the Global Fund partnership and expressed gratitude for the spirit of compromise that every constituency had shown.

Agenda Item 5: Progress Report of the OIG

Presentation

[GF/B46/08 OIG 2021 Operational Progress Report](#)

44. The Inspector General shared brief highlights from the mid-2021 progress report. COVID has disrupted grant activities across the three diseases, impacting testing, case notifications and incidence. Procurement

challenges are hindering the absorption of C19RM funding. Both global procurement and in-country supply chains are under strain. Support through PPM and Wambo could be enhanced. The Global Fund's impact in domestic health financing could be enhanced. Pandemic-related disruptions are fueling a rise in opportunistic fraud. 2021 has seen a 45% rise in reporting to the OIG.

Board Discussion

45. Board Members provided comments and requested further clarifications on the following:

- i. **Human Rights abuses.** The OIG was requested to detail the increase in human rights violations faced by key and vulnerable population groups since the onset of the pandemic?
- ii. **Sexual exploitation, abuse, and harassment.** (i) A question was raised as to whether the OIG has the required investigative capacity, given the likely rise in reports. Can the OIG provide assurance that PSEAH framework will be a regular part of country audits?
- iii. **Use of consultants.** The OIG was requested to clarify, what assurance it can offer regarding its reliance on third parties to obtain required documentation and data?
- iv. **Fraud disruption** A question was raised regarding initiatives such as ispeakoutnow.org and virtual webinars, and their sufficiency to interrupt or report wrongdoing. Are there plans to assess the impact of these mechanisms?
- v. **Country audits.** It was proposed that country audits should be announced adequately in advance, so meetings can be phased appropriately. The national context must be taken into account when considering grant performance, e.g., how local bureaucracy impacts project outcomes.
- vi. **Third-party investigations.** A concern was raised around oversight and visibility of investigations performed by downstream partners.
- vii. **Local Fund Agents.** The OIG was requested to comment on the capacity of LFAs to detect and help prevent programmatic fraud within country programs.
- viii. **Wambo.** Regarding its use for C19RM and PPM, a point was raised to clarify if the Secretariat will consider alternatives for countries to mitigate risks, such as the risk of delays.
- ix. **Community engagement.** What barriers has OIG identified in engaging communities in decision-making, implementation, and getting what is needed in C19RM?
- x. **Use of in-country partners for monitoring and oversight.** A recommendation was made for the OIG to consider standardizing its cooperation and coordination with Supreme Audit Institutions (SAI)
- xi. **Recoveries.** A request for clarification on how the OIG assists in this process.
- xii. **RSSH, PPR and Transition activities.** The OIG workplan does not include systematic review of the quality of these activities. How will assurance be provided for them?

- xiii. **CCM Model.** There was interest and encouragement for the planned OIG evaluation of the CCM model and approach.

OIG Response

- i. **Human Rights abuses.** The OIG has received nine reports of potential human rights abuses, three of which have given rise to ongoing investigations. It is an ongoing challenge due to limited reports through typical routes (e.g., hotline), however the OIG is working on various initiatives to raise awareness and will also work with all constituencies to raise awareness of Human Rights, to increase the reporting rate to OIG.
- ii. **Sexual exploitation, abuse, and harassment.** (i) The OIG is making sure it has the depth of expertise needed to cope with any increase in reporting and can draw on its pool of consultants to boost capacity. (ii) The OIG will look at PSEAH activities in the course of country audits where relevant.
- iii. **Use of consultants.** The OIG's dual resourcing model, where consultants work as part of OIG teams, has enabled delivery on the OIG mandate during the pandemic, and to collect evidence in locations to which the OIG has been unable to travel. The OIG directs consultants' work, maintains close supervision, and quality assures the work performed.
- iv. **Fraud disruption.** (i) The OIG's work as a third line of defense function complements second and first-line activities, for example, Fraud Risk Assessments. In addition to speak-out activities, the OIG's proactive investigations seek to disrupt fraud. (ii) The OIG assesses each webinar to identify how it can be improved.
- v. **Country audits.** Country context is a key consideration in audits, especially during the pandemic. The OIG liaises with implementers and in-country stakeholders in scheduling meetings to reduce the impact on routine activities.
- vi. **Third-party investigations.** It's critical that OIG hears about issues immediately. If organizations do their own investigations, it's essential that they tell us.
- vii. **Local Fund Agents.** The OIG 2022 workplan includes an advisory review of the LFA model. Country audits will also assess the LFA model.
- viii. **Community engagement.** This will be part of the on-going C19RM v2 review and was assessed as part of C19RM v1. There are various checks built into the design of funding requests for C19RM funds and their effectiveness is part of our on-going review. For country audits, community engagement is being assessed in more detail. To date, the OIG has found that providing input at short notice has been challenging for some communities
- ix. **Use of in-country partners for monitoring and oversight.** SAs are the cornerstone of good financial management and a critical component of OIG's in-country work.
- x. **Recoveries.** The OIG assists the Recoveries Committee by establishing the amount of losses to the Global Fund as a result of fraud.

- xi. **RSSH, PPR and Transition activities.** RSSH, PPR and transition are reviewed where applicable in country audits. More broadly, the OIG reviews activities periodically in thematic audits (for example, past audits of transition and RSSH).
- xii. **CCM Model.** In addition to the planned audit of the CCM model and approach, the CCM model is also assessed through country audits.

Agenda Item 6: Risk Appetite and Risk Management Report

Presentation

[GF/B46/06 Recommended Updates to Risk Appetite](#)

46. The Secretariat summarized the impact of COVID-19 disruption on risk levels, why this means that adjustments to risk appetite are needed, and the four-step approach taken to develop recommendations on adjustments. The Secretariat highlighted that increasing risk appetite does not automatically mean more risk taking, that bringing down risk levels is a priority, and that decisions to take more risk will be made country-by-country, leveraging tried and tested internal decision-making structures that drive accountability. Progress made to strengthen internal governance and improve oversight capacity of the SEAH risk was also highlighted.

Board Discussion

47. The Board acknowledged increased risk levels as a result of COVID-19 and thanked the Secretariat for the careful considerations taken to balance risk mitigation strategies with the desired level of ambition. In addition, the Board:
- i. Stressed the importance of maintaining appropriate risk-taking to enable innovation.
 - ii. Noted that a high-risk appetite is not the ‘norm’ and that it should be revisited and reduced when feasible.
 - iii. Reaffirmed that fraud and fiduciary risk mitigation strategies should be prioritized to counter recent economic upheaval.
 - iv. Highlighted that in-country ownership and capacity development must be considered in selecting a procurement mechanism, noting countries require access to all mechanisms.
 - v. Requested more granular reporting to the Board on the effectiveness of country-level mitigation strategies and highlighted that engagement with country partners and CCMs is essential as part of validating the effectiveness of mitigation strategies; and
 - vi. Supported the continuation of efforts by the Secretariat to implement SEAH risk mitigation measures.

Secretariat Response

48. The Secretariat noted that a high-risk appetite is required in the short term to 'catch-up' to program targets and agreed that bringing down risk levels and reducing risk appetite must be a priority.
49. The Secretariat noted robust mitigation planning is carried out at a grant and country level, working with implementers and CCMs. The focus over the next 12 months will be to scale up mitigations that are proven to be effective. The Board will be kept updated on progress of C19RM implementation via monthly reports, and on implementation of mitigating actions via the Organizational Risk Register.
50. The Secretariat highlighted that procurement decisions are made on a case-by-case basis for each country and take into consideration various factors, including potential delivery delays, the risk of fraud, country ownership, and capacity building.
51. The Secretariat acknowledged the importance of maintaining innovation and noted that an initial short-term risk is likely while they are tested. This risk will reduce as lessons learnt are applied to implementation and risk mitigations plans

Decision Point

52. The Board unanimously approved the Decision recommending Updates to the Risk Appetite ([GF/B46/DP05](#))

Agenda Item 7: Independent Evaluation Function

Presentation

[GF/B46/05 Rev.1 Independent Evaluation Function](#)

53. The SC Leadership opened the session and expressed satisfaction in bringing the recommendation which presents a new model for independent evaluation for the Global Fund. SC Leadership acknowledged the collaboration of the SC M&E Working Group, the TERG, the OIG and the Secretariat in the preparation and extensive deliberations which led to the proposal for the new model. The SC Leadership stated that new model is designed to protect the independence of the evaluation function, foster a learning culture, and will contribute to the wider sectoral knowledge.
54. The SC leadership **noted amendments** proposed following the recommendations by the 17th SC and EGC. Proposed amendments were determined to be consistent with the SC and EGC's intent and a revision to the recommendation was issued to the Board ahead of the session ([GF/B46/05– revision](#)), also including a clarification on learning proposed by two constituencies.
55. The EGC Leadership confirmed that the EGC had had the opportunity to review the proposal on the new model for independent evaluation made by the SC, at the 17th EGC meeting, with focus on the revisions to the Global Fund By-laws and the Charter of the Strategy Committee, as per the mandate of the EGC. The EGC Chair further noted that the process of developing the new model was inclusive and iterative.

56. The Secretariat echoed the sentiments of the SC Leadership on the excellent collaboration and discussions with the SC, the SC M&E Working Group, the TERG and the OIG. The Secretariat provided a high-level overview of the new model and responded to comments in the constituency statements:
- i. On the determination of future evaluation priorities, it was clarified that the multi-year calendar will be developed through a consultative process involving all the key stakeholders and will aid in being more strategic and selective about the evaluation priorities.
 - ii. Regarding conducting of evaluations that are independent from the Secretariat, it was clarified that evaluations will always be commissioned to independent third parties and evaluators, and the terms of reference of the evaluations subject to oversight by the Independent Evaluation Panel (IEP) which provides quality assurance at critical stages of the evaluations.
 - iii. With respect to ensuring that final reports and recommendations are devoid of bias, it was assured that they will be reviewed and discussed with the Independent Evaluation Panel (IEP), who will assure their quality and the behavioral independence on the part of the Secretariat or even the evaluators; and
 - iv. On provision of 360 feedback by implementers of their experience with the Global Fund, it was stated that this will require an inclusive approach and an implementation mechanism that can capture the voices across the wide Global Fund implementer landscape, including communities and civil society. This proposal will be examined in detail, and a mechanism will be introduced by next year as part of the development of standard operations procedures for the evaluation function.

Board Discussion

57. There was broad appreciation and support expressed from Board members on the process of designing the new model for independent evaluation for the Global Fund. The Board acknowledged the collaborative effort of all those who were involved and raised the following questions/comments:
- i. To consider a future reporting approach similar to OIG reports and a follow up mechanism like the Agreed Management Responses Actions.
 - ii. In case of disagreements with regards to appointment or dismissal of the Chief Evaluation and Learning Officer (CELO), it needs to be clear who will have the final authority to make the decision.
 - iii. Evaluation reports should be disseminated in a timely manner to improve knowledge sharing.
 - iv. A smooth transition between the TERG and IEP is key. Further, it was recommended that the recruitment of the Independent Evaluation Panel (IEP) Chair is an open process and completed quickly. Information was requested on the size and composition of the IEP. It was noted that for the evaluation function to be successful, it needs to be staffed with qualified evaluators.
 - v. Requested an estimation of the total cost of the function, particularly in comparison to the TERG.

Secretariat Response

58. The Secretariat thanked the Board members for the supportive comments and feedback. The Secretariat provided the following clarifications to the questions:

- i. During the operationalization of the model the most optimal processes to facilitate learning through effective reporting and follow up will be determined, learning from the OIG approach and well as other peer organizations.
- ii. In terms of decision making for the appointment and dismissal of the CELO, it was clarified that the decision will be made through consensus between the SC, the IEP, and the Office of the Executive Director.
- iii. TERG reports are already published on the website, but assurance was provided that the TERG Documents Procedure¹ will be revised in the context of the new model and evaluations conducted will be made publicly available according to the new policy.
- iv. On the transition between the TERG and the IEP, discussions are progressing with the current TERG Leadership. The recruitment of IEP members will take place in early 2022 with the current goal to have the IEP operational by mid-2022. Regarding the number of people in the IEP, it was clarified that it will be approximately 10. There was agreement on the need to recruit high caliber personnel within the independent evaluation function. Also, it was noted that the CELO will have to manage the complexity of the dual reporting line (i.e., to the IEP and the Office of the Executive Director) and work with other peer organizations to foster learning in this field.
- v. With respect to the budget, it was clarified that for 2022, the funding for the Evaluation Unit will be from the OPEX and the evaluations will be a mix of OPEX and SI funds. Thereafter, the Finance Department will present a plan to fund all independent evaluation from OPEX from the next cycle (i.e., 2023 onwards).

Decision Point and Conclusion

59. The Board unanimously approved the decision on the Independent Evaluation Function ([GF/B46/DP06](#)).

60. The Secretariat will promptly start the recruitment of the Chief Evaluation and Learning Officer, work with TERG leadership on transition from the TERG to the IEP and prepare the standard operating procedures.

Agenda Item 8: Corporate Work Plan and 2022 OPEX Budget

Presentation

[GF/B46/02 Part A - OPEX Evolution Budget 2022](#)

[GF/B46/02 Part B - OPEX EVOLUTION Budget 2022](#)

61. The Secretariat presented the 2022 Corporate Work Plan and Operating Expenses Budget (GF/B46/02). The budget of US\$ 322.2M for 2022 builds on the 'OPEX Categorization' framework, differentiating

investments into Core Operations, Cyclical Enablers and Priority Initiatives and remains within the extended ceiling for 2020-2022 of US\$ 930M. The budgeting approach ensures strong cost discipline on Secretariat structural/fixed costs and increases the level of strategic/enabler funding.

Board Discussion

62. The Board thanked and commended the Secretariat for a clear and transparent presentation and discussed the following points:

- i. **Priority activities.** Further detail was requested on the initiatives to be funded by the US\$ 13.9M allocated to priority “3. Drive Efficiency and Effectiveness”.
- ii. **Workforce planning.** Insight was sought on staffing planning in the context of costing of the new strategy, bringing to the discussion the longer-term implications of a C19RM staff surge for future workforce management. Expectations were expressed around the need to understand the articulation between strategic workforce planning and the new strategy. It was also noted that increases in headcount have not appeared to minimize concerns around staff health and workload, with a need to further explore staffing alignment with delivery needs. Given the increased workforce, the potential risk of creating long term liabilities for the organization was also raised.
- iii. **Monitoring ratios.** It was noted that in addition to the current OPEX/Pledges overheads ratio, other cost efficiency and productivity metrics should be developed with a continuing focus on value for money and cost discipline.
- iv. **CCM/LFA budget.** An increase of US\$ 0.7M was noted for the CCM/LFA budget with clarification sought as to whether the increase is directly flowing to CCMs to mitigate workload increase, including those linked to additional oversight of C19RM funding requests.
- v. **Travel.** Clarification was sought as to whether constituency funding budgets integrate the anticipated return of face-to-face meetings and travel in 2022.
- vi. **C19RM Management and Operating Costs.** Comments sought clarity regarding the synergies between OPEX and C19RM management and operating costs and regarding whether management and operating costs (3% of additional pledges) related to C19RM are included in the analysis.
- vii. **New independent evaluation function.** A clarification was sought on costs related to the formation of the new independent evaluation function.

Secretariat Response

63. The Secretariat reiterated that cost discipline, efficiency and value for money are key principles underpinning the OPEX budgeting process. The budgeting framework used for the costing of the new Strategy will include a rebasing of the current OPEX cost base, integrating organizational efficiency factors. Explicit trade-offs will be made visible to AFC for consideration. In response to specific questions raised, the Secretariat provided the following clarifications:

- i. **Priority activities.** Funding allocated to priority “3. Drive Efficiency and Effectiveness”, covers various initiatives aiming at the simplification of organizational processes and optimization of systems and structures, namely:
 - a. Finance processes improvement and automation project.
 - b. Health product demand planning and implementation management.
 - c. Implementation Oversight Launch project aiming at enhancing and automating PR reporting.
 - d. Grant Operating System (GOS) enhancements aiming at simplification and integration of processes such as IRM (Integrated Risk Module) and LFA reporting.
- ii. **Workforce planning.** Increased staff costs has been partially compensated by a decrease in professional fees, following an intentional strategy to internalize key competencies. As part of OPEX evolution and workforce planning, an extensive exercise was performed to categorize positions according to the core/cyclical/priority classification and award contract type and duration in line with classification. For example, resources to support C19RM are appointed under contract durations in line with the time bound nature of the mechanism. Additional visibility on workforce planning will be provided as part of subsequent AFC and Board presentations. HR is closely working with the Strategy and Policy Hub and Finance Division on the operationalization and costing of the new strategy.

Staff health and high workload remain a concern for the organization. Increases in headcount over the last two years are linked to increasing capabilities in critical areas such as health finance and resource mobilization, and in strengthening expertise in diseases and RSSH. In addition, positions have been added over the last year to support C19RM. Despite these additional resources, workload across the Secretariat remains very high, with increases related to COVID-19, and to the additional complexities of working in a virtual context.

- iii. **Monitoring ratios.** The Secretariat noted that additional ratios/indicators would be developed with due attention to relevance and feasibility.
- iv. **CCM/LFA budget.** The increase of US\$ 0.7M to US\$ 58.5M in the 2022 OPEX budget for in-country and external assurance is to support LFA, CCM in-country oversight of grants, Ethics, and Integrity (PSEAH) as well as TERG activities, in an environment heavily impacted by COVID-19. In addition, dedicated funding for CCMs and LFAs has been allocated under the C19RM management and operating costs to specifically address additional C19RM-related needs.
- v. **Travel.** Budget for constituency funding has not changed for the last 2 years. Underspend is due to impact of COVID-19 and related travel limitations across the world.
- vi. **C19RM Management and Operating Costs.** As per Board decision, dedicated funding has been allocated for C19RM management and operating costs. Budget and tracking of expenses are managed separately to ensure transparency in use of resources. While the usual ratio of OPEX/pledge is 6.5%, a level of 3% has been proposed for C19RM, as the new mechanism can leverage existing infrastructure, systems, and processes already funded under OPEX. Cost

budgeted under C19RM should be considered as incremental and time bound. Investments have been made mostly in workforce & assurance measures with a duration cap of 2 years.

- vii. **New independent evaluation function.** In the 2022 OPEX budget, the cost of transitioning to the evaluation function has been reflected to ensure no disruption in service delivery. For 2023 and beyond, final set-up, including budget impact at team level, will have to be integrated in the costing of the new strategy discussed with AFC.

Decision Point

64. The Board thanked the Secretariat for the clarity in the presentation and voted unanimously to approve [Decision Point \(GF/B46/DP07\)](#), approving the following:

1. 2022 Work Plan and Budget Narrative, as set forth in [\(GF/B46/02A\)](#) and
2. 2022 Operating Expenses Budget in the amount of US\$ 322.2million, as set forth in [\(GF/B46/02B\)](#) (the “2022 OPEX Budget”), which includes (i) US\$ 65.5 million for in-country and external assurance activities and (ii) US\$ 14.9 million for the Office of the Inspector General’s 2022 operating expenses.

Agenda Item 9: Update on Resource Mobilization and the Seventh Replenishment Action Plan

Presentation

[GF/B46/20 Update on Resource Mobilization and the 7th Replenishment Action Plan](#)

65. The Secretariat provided an update on pledge conversion for the Sixth Replenishment period, which is currently on track. Ongoing resource mobilization results are unprecedented, and the lessons learnt from these efforts are informing and helping evolve the Global Fund’s agile and adaptable fundraising approach. Several activities to prepare the ground for the Seventh Replenishment have been rolled out, including: the Global Fund Brand refresh and the 20th Anniversary campaign; the publication of the 2021 Results Report; ongoing engagement with donors and advocacy partners through briefings and events; and the transformation of the External Relations and Communications Division. Priorities for the Seventh Replenishment Action Plan over 2021-22 include:

- i. Developing a compelling Investment Case.
- ii. Executing a comprehensive and well-coordinated Seventh Replenishment campaign.
- iii. Mobilizing support through dynamic, creative, and robust replenishment communications.
- iv. Ensuring strong engagement of public donors, including the host country, to sustain and increase contributions.
- v. Ensuring strong engagement with private sector partners, to sustain and expand contributions.
- vi. Demonstrating the catalytic effect of the Global Fund on domestic resource mobilization_(DRM).

- vii. Expanding partnerships with multilateral development banks (MDBs) to leverage co-investment and crowd in additional resources; and
- viii. Further strengthening and growing the Global Fund's advocacy eco-system.

Board Discussion

66. The Board thanked the Secretariat for the presentation, acknowledging the solid analysis of the landscape and expressing willingness to support the roll-out of the Action Plan. The Board discussion:
- i. Highlighted the need for a strong Investment Case and of an ambitious target (not an “austerity replenishment”) in line with the objectives and priorities laid out in the new Strategy.
 - ii. Inquired about the articulation of ongoing needs for C19RM and the Seventh Replenishment Investment Case, given the ongoing COVID-19 pandemic and the Global Fund's role in the response through C19RM.
 - iii. Emphasized the importance of mobilizing and engaging the Global Fund's vast advocacy eco-system.
 - iv. Invited the Secretariat to work with Board constituencies on donor-to-donor outreach, leveraging global political processes (e.g., G7/G20) and facilitating sharing of experiences of previous Replenishment host/s.
 - v. Encouraged the Secretariat to continue to accelerate private sector engagement, including in implementing countries as part of DRM, and to engage with non-traditional funders more broadly; and
 - vi. Encouraged the Secretariat to continue to collaborate with partners, including through existing Global Health platforms.

Secretariat Response

67. The Secretariat thanked the Board for their willingness to support and looked forward to working with all Board constituencies towards a successful Seventh Replenishment. In response to the specific comments and questions, the Secretariat:
- i. Noted that the **Seventh Replenishment Investment Case** is currently being developed, and it will aim to clearly articulate the Global Fund's position in the rapidly evolving landscape. Projected needs will be based on partner plans for HIV/AIDS, Tuberculosis and Malaria. The Secretariat is working with the latest data from the IMF/WB for domestic financing projections. There is also ongoing analytical work on PPR. Experience has shown that **one target replenishment number** is most helpful for campaigning, and it is always set with both ambition and realism in mind.
 - ii. Acknowledged the challenges in the global landscape and fundraising context in 2022, with fiscal challenges and competing priorities for donors and implementing countries and multiple fundraising efforts underway. The **Seventh Replenishment will be the Secretariat's top priority for fundraising in 2022**, as it will aim to mobilize the resources needed to implement and

materialize the first three years of the new Strategy as approved by the Board. In parallel, the Global Fund continues to play a leading role in the ACT Accelerator, and this implies contributing to the targets and priorities agreed as part of the ACT Accelerator's strategy and budget for 2022. Therefore, the Global Fund must continue to mobilize and remain open to receiving additional funding so we can continue to deliver lifesaving tools and interventions to the countries we support during this time of great need. This will no doubt be challenging given the context. However, the **timeframes for C19RM and Seventh Replenishment do not overlap** and therefore these can be two distinct fundraising streams.

- iii. Reiterated the **important role of Civil Society and Communities in advocating for the Global Fund**, and thanked them for their engagement so far, including in the 20th Anniversary campaign. Working with Civil Society and Communities is a key priority in the Action Plan, and the Secretariat is committed to strongly engaging advocacy partners in the campaign, coordinating efforts and cross-amplification of advocacy messaging.
- iv. Noted that work to **secure the host of the Seventh Replenishment**, as well as the preparatory meeting, is under way. Leadership by the host/s will be key in donor-to-donor outreach, and the Secretariat welcomes proposals by Board Constituencies to work alongside the host to leverage the G7/G20 processes and experience of previous host/s.
- v. Regarding **engagement with the private sector**, the approach will build on the Sixth Replenishment success, which exceeded the USD 1B mark for the first time. We have strong conversion of pledges and continued commitment from partners. This Board can certainly be helpful in encouraging new donors to engage.
- vi. Noted that recently some **public donors who do not yet contribute or who have stopped contributing to the Global Fund** are contributing to the global COVID-19 response. Although mostly focused on COVID-19 vaccines, this shows there may be interest in broader or other global health issues and there may be potential to contribute to the Global Fund's COVID-19 response and/or the Seventh Replenishment.
- vii. Mentioned that **exploration of resources beyond ODA and discussions and engagement with IFIs and MDBs on blended financing and other forms of innovative financing solutions** are also going forward in collaboration with the Health Financing Department.
- viii. Emphasized that **the coordination and cooperation with partners** in the global health space and beyond have never been more dynamic or closer than in the last two years. For example, with ACT Accelerator partners, the Secretariat often holds joint fundraising events and briefings, and has regular coordination and planning meetings. All partners need to be fully funded to achieve our aims in the new Strategy. The Secretariat sees roles as complementary, rather than competing.

68. The Board Chair concluded the session by emphasizing the need to position the Global Fund in the context of the current health landscape, and to demonstrate its infrastructure expertise of the past 20 years. He expressed his confidence in the Secretariat ability to build on a strong case with a high level of ambition.

He reiterated the Board's commitment in supporting a robust and ambitious Seventh replenishment campaign.

Action Points

69. The Board and its Committees will continue to engage with the Secretariat and receive updates on the roll-out of the Seventh Replenishment Action Plan.

Agenda Item 10: Board Meeting Closing

70. The Vice-Chair concluded the meeting by recognizing departing Secretariat colleagues, Fady Zeidan, Head of the Legal and Governance Department, and Nick Jackson, Ethics Officer, for their contributions. The Vice-Chair thanked the Board, governance bodies, the Secretariat and OIG for their collaborative participation. She highlighted that the successful conclusion of the key decisions items: on the Global Disease Split and the next Global Fund Strategy, was a testament to the Board's solidarity and commitment to the Global Fund partnership and its governance.

Annex 1. Decisions Taken at the 46th Board Meeting

Decision Point Number	Decision Point text	Voting Summary		
		For	Against	Abstain
GF/B46/DP01	<p>Appointment of Rapporteur</p> <p>Gabriella Fesus from the European Commission, Belgium, Italy, Portugal, Spain Constituency is designated as Rapporteur for the 46th Board Meeting.</p>	Unanimous		
GF/B46/DP02	<p>Approval of the Agenda</p> <p>The Agenda for the 46th Board Meeting (GF/B46/01_Rev1) is approved.</p>	Unanimous		
GF/B46/DP03	<p>Approval of the Strategy Narrative for the 2023-2028 Global Fund Strategy</p> <p>Based on the recommendation of the Strategy Committee, as presented in GF/B46/03_rev1, the Board:</p> <ol style="list-style-type: none"> approves the Strategy Narrative for the 2023-2028 Global Fund Strategy in Annex 1 to GF/B46/03_rev1 and requests that the Secretariat develop, for presentation to the Strategy Committee in March 2022 and subsequently the Board in May 2022, an approach for Strategy implementation with a focus on delivering the key changes outlined in the Strategy using all existing levers and identifying where new solutions will be required: and expresses its recognition to the Standing Committees for their work in the context of the development of the Strategy and looks forward to the continuous engagement between the Board, Secretariat, and the Standing Committees, in line with their respective mandates, throughout the implementation of the Strategy. <p><u>Budgetary implications: The Secretariat will work with the Audit and Finance Committee on anticipated costing and operating expenses related to the Strategy once the Final Strategy is approved.</u></p>	19 votes		1 vote (France)

<p>GF/B46/DP04</p>	<p>Global Disease Split for the 2023-2025 Allocation Methodology</p> <p>Based on its review of the Secretariat's analysis and recommendations on the global disease split for the 2023-2025 allocation period, and the Strategy Committee's related deliberations, the Board:</p> <ol style="list-style-type: none"> 1. Acknowledges that the total amount of funds available for country allocation (including approved sources of funds for country allocation and any additional funds approved as available for country allocation) will be decided by the Board in November 2022, based on the recommendation of the Audit and Finance Committee following announced replenishments results from the 7th Replenishment. 2. Approves that the apportionment of available country allocation funds across disease components ("Global Disease Split") for the 2023-2025 allocation period will be determined by the total amount of available funds for country allocation for the 2023-2025 allocation period approved by the Board. 3. Acknowledging the increased share of deaths from tuberculosis among the three diseases, approves the following Global Disease Split for the 2023-2025 allocation period, which increases funding for tuberculosis while preserving funding and potential for scale-up for HIV and malaria: <ol style="list-style-type: none"> a. Any available funds for country allocation up to and including US\$ 12 billion will be apportioned as follows: 50% for HIV/AIDS, 18% for tuberculosis, and 32% for malaria; and b. Any additional available funds for country allocation above US\$ 12 billion will be apportioned as follows: <ol style="list-style-type: none"> i. 45% of such funds will be apportioned to HIV/AIDS; ii. 25% of such funds will be apportioned to tuberculosis; and iii. 30% of such funds will be apportioned to malaria. 4. Recognizing the need to further increase funding for tuberculosis and maximize the quality and impact of tuberculosis programs in line with the ambition of the Global Fund Strategy Narrative, requests the Secretariat, partners, and 	<p>Unanimous</p>		
---------------------------	---	------------------	--	--

	<p>committees, as relevant, to propose and implement specific options to address these needs, including:</p> <ul style="list-style-type: none"> a. Presenting to the Board, at its 47th meeting, a proposal to leverage catalytic investments for the 2023-2025 allocation period to mobilize additional resources to reduce deaths from tuberculosis; b. Aggressively exploring, on an ongoing basis, evidence-based portfolio optimization and prioritization opportunities in order to more effectively address tuberculosis incidence and mortality in high burden countries; c. Continuing to pursue and monitor domestic co-financing commitments required to increase overall financing for tuberculosis; and d. Continuing to pursue innovative finance opportunities to increase funding to tuberculosis in high burden countries. <p>5. Requests the Global Fund’s Independent Evaluation Function to commission, in consultation with the Strategy Committee, technical partners and Secretariat, an external evaluation of the Global Fund’s approach to resource allocation to maximize impact, to inform evidence-based decision making on these issues ahead of the 8th replenishment, and to support more effective delivery of the Global Fund Strategy.</p> <p><u>Budgetary implications (included in, or additional to, OPEX budget): None.</u></p>			
<p>GF/B46/DP05</p>	<p>Amended Risk Appetite Statements</p> <p>1. The Board:</p> <ul style="list-style-type: none"> a. recalls its ultimate responsibility to the Global Fund’s stakeholders for overseeing the implementation of effective risk management; b. affirms the Strategy Committee’s concurrence with the amended Risk Appetite Statements under such committee’s oversight, as set forth in Annex 1 to GF/SC17/14_Rev2 and pursuant to decision point GF/SC17/DP02; c. further affirms the Audit and Finance Committee’s concurrence with the amended Risk Appetite Statements under such committee’s 	<p>Unanimous</p>		

	<p>oversight, as set forth in Annex 1 to GF/AFC17/02_Rev2 and pursuant to decision point GF/AFC17/DP02; and</p> <p>d. instructs the Secretariat to provide greater reporting on emerging risk trends and the effectiveness and results of the assurance measures, including the additional assurances put in place.</p> <p>2. Based upon the recommendation of the Audit and Finance Committee, the Board approves the amended Risk Appetite Statements, including risk appetites, target risk levels and timeframes to achieve target risk, as set forth in Annex 1 to GF/B46/06, acknowledging that the target risk level for each risk shall become the revised risk appetite at the target due date.</p> <p>3. This decision point and the amended Risk Appetite Statements approved by it shall supersede decision point GF/B39/DP11 (May 2018).</p> <p><u>Budgetary implications (included in OPEX budget).</u></p>			
<p>GF/B46/DP06</p>	<p>Independent Evaluation Function</p> <p>The Board notes the recommendation of the Strategy Committee and of the Ethics and Governance Committee, as set forth in GF/B46/05 rev1, with respect to the new independent evaluation model which shall replace the Technical Evaluation Reference Group ("TERG") and decides to approve the creation of the Independent Evaluation Panel, as described in GF/B46/05 rev1.</p> <p>Accordingly, the Board:</p> <p>1. Amends the Global Fund Bylaws, as set forth in Annex 1 of GF/B46/05 rev1, effective 31 December 2022;</p> <p>2. Amends the Charter of the Strategy Committee, as set forth in Annex 2 of GF/B46/05 rev1, effective 31 December 2022;</p> <p>3. Approves the Terms of Reference of the Independent Evaluation Panel ("IEP"), as set forth in Annex 3 of GF/B46/05 rev1 effective 31 December 2022, which will constitute one structure of the independent evaluation function previously held by the TERG, noting that approval of subsequent non-material modifications to this document are delegated to the Strategy Committee;</p>	<p>Unanimous</p>		

	<p>4. Requests the Secretariat, under the oversight of the relevant standing Committees, to update any policies, relevant governance documents, charters, terms of reference, agreements or prior decisions needed to align with the documents approved under paragraphs 1, 2 and 3 of this decision point, and to manage the orderly transition between the Technical Evaluation Reference Group ("TERG") and the IEP;</p> <p>5. Requests the Strategy Committee, in fulfilling its oversight role over the independent evaluation function, to consider the effectiveness of the guidance and procedures developed to safeguard both the independence and the learning components of the evaluation function; and</p> <p>6. Decides to dissolve TERG following the transition period ending 31 December 2022 and instructs the Strategy Committee to develop and oversee transitional arrangement between the IEP and the TERG.</p> <p><i>Budgetary implications (included in, or additional to, OPEX budget).</i></p>			
GF/B46/DP07	<p>2022 Work Plan and Budget Narrative and the 2022 Operating Expenses Budget</p> <p>Based on the recommendation of the Audit and Finance Committee, the Board approves the:</p> <p>1. 2022 Work Plan and Budget Narrative, as set forth in GF/B46/02; and</p> <p>2. 2022 Operating Expenses Budget in the amount of US\$ 322.2million, as set forth in GF/B46/02 (the "2022 OPEX Budget"), which includes (i) US\$ 65.5 million for in-country and external assurance activities, as described in GF/B46/02, and (ii) US\$ 14.9 million for the Office of the Inspector General's 2022 operating expenses.</p>	Unanimous		

Annex 2. Board Meeting Document List

Reference	Document Title
For Decision	
GF/B46/01	46 th Board Meeting Agenda
GF/B46/02 Part A GF/B46/02 Part B	OPEX EVOLUTION Budget 2022
GF/B46/03 revision 1	Strategy Narrative
GF/B46/04 revision 1	Global Disease Split for the 2023-2025 Allocation Methodology
GF/B46/05 revision 1	Independent Evaluation Function
GF/B46/06	Recommended Updates to Risk Appetite
Leadership Updates	
GF/B46/07	Report of the Executive Director
GF/B46/08	OIG 2021 Operational Progress Report
GF/B46/09	COVID-19 Response and Business Continuity
Strategy	
GF/B46/10	Report of the Technical Evaluation Reference Group (TERG)
GF/B46/11	TRP Update
GF/B46/21	Next Steps on Preparations for Strategy Implementation
Governance Oversight	
GF/B46/12	Report of the Coordinating Group
GF/B46/13	Annual Report on Status of Board Decisions
Assessment of Organizational Performance	
GF/B46/14	Update on M&E and KPI 2023+ Framework Development
GF/B46/15	Strategic Performance Report mid-2021
Commitment of Financial Resources	
GF/B46/16	Financial Performance as at 30 th June 2021
GF/B46/17	Recoveries Report for the Period 30 June 2021
Risk Management	
GF/B46/18	Agreed Management Actions Progress Report
GF/B46/19	Semi-Annual Risk Management Report
Resource Mobilization and Partnerships	
GF/B46/20	Update on Resource Mobilization and the Seventh Replenishment Action Plan
Supporting Documents	
GF/B46/XX	Update on Country Funding and Portfolio Optimization

Annex 3. Glossary of Acronyms

ACT-A	Access to COVID Tools (ACT) Accelerator
AFC	Audit and Finance Committee
ALM	Asset Liability Management
AMAs	Agreed Management Actions
BLNC	Board Leadership Nominations Committee
CCM	Country Coordinating Mechanism
CFO	Chief Financial Officer
CRG	Community, Rights and Gender
C19RM	Covid-19 Response Mechanism
CRO	Chief Risk Officer
CRP	Country Results Profiles
DRM	Domestic Resource Mobilization
ED	Executive Director
EGC	Ethics and Governance Committee
GHC	Global Health Campus
GNI	Gross National Income
HSS	Health systems strengthening
IFI	international financial institutions
KPI	key performance indicator
MDB	multilateral development banks
STC	Sustainability, Transition and Co-financing Policy
ODA	Official Development Aid
OIG	Office of the Inspector General
OPEX	Operating expenses
PPR	pandemic preparedness and response
PPM	Pooled Procurement Mechanism
RSSH	Resilient and Sustainable Systems for Health
SAI	Supreme Audit Institutions
SDGs	Sustainable Development Goals
SC	Strategy Committee
SIP	Strategy Implementation Plan
TERG	Technical Evaluation Reference Group
TRP	Technical Review Panel
UQD	Unfunded Quality Demand
UMI	Upper middle Income
WHO	World Health Organization

Annex 4. Written Statements received from Constituencies

All Constituency Statements and Joint Position Papers received on the occasion of the Global Fund Board Meeting are circulated to the Board in real time and further made available on the [Governance Portal](#).

The following constituency statements and joint position papers are attached to this report:

- a. Africa Constituencies (Eastern and Southern Africa & West and Central Africa) Position Statement on the Proposed Global Disease Split
- b. Canada – Switzerland – Australia Constituency Statement
- c. Communities Delegation Constituency Statement
- d. Developed Country NGO Delegation Constituency Statement
- e. Developing Country NGO Delegation Position Paper
- f. European Commission/ Italy/ Belgium/ Portugal/ Spain Constituency Statement
- g. Eastern Europe and Central Asia Constituency Statement on Approval of Strategy Narrative for the 2023-2028 Global Fund Strategy
- h. Eastern Mediterranean Region Constituency Statement
- i. France Constituency Statement
- j. France Constituency Statement on Global Disease Split (FR-EN)
- k. Germany Constituency Statement
- l. Latin America and the Caribbean Constituency Statement
- m. Point Seven Constituency Statement
- n. Point Seven Constituency Statement on Global Disease Split
- o. Private Sector Constituency Input
- p. Southeast Asia Constituency Statement
- q. United Kingdom Statement
- r. UNAIDS Constituency Statement
- s. Western Pacific Region Constituency Statement
- t. WHO Constituency Statement



AFRICAN CONSTITUENCY BUREAU
FOR THE GLOBAL FUND



African Constituencies' position statement on the Proposed Global Disease Split

The East and Southern Africa and the West and Central Africa constituencies acknowledge the need to address the high mortality related to Tuberculosis. We are concerned by any premature death due to TB or any other disease. The Global Fund should demonstrate solidarity for and strong leadership to address the unacceptably high TB deaths.

The African Constituencies do not support the Secretariat's proposed change to the Global Disease Split (GDS). We support keeping the split HIV50%, TB 18% and malaria for the reasons summarized below and finding specific and effective answers to the TB high mortality situation.

The Global Fund principles at work

The Global Fund has long championed the principle of high burden, low ability to pay to invest resources. The Global Fund also applies the principle of value-for-money in investments. A few countries contribute disproportionately to TB deaths. Concentrating on them to reduce TB deaths will work better than changing the disease split. Especially, as the Secretariat has not provided any additional information on how the change of the Disease Split will specifically change TB mortality; nor how it will affect the other two diseases. It should be noted that the ESA and WCA have continuously made requests for review and changes, that were not considered with various justifications given by the Secretariat.

Global Fund will shift resources from Low-Income Countries

1. **The proposed Global Disease Split will shift resources from low-income countries to countries that are better off, some middle-income countries with much higher GNI per capita.** This goes against the principles that the Global Fund is based on, especially at a time when LICs are less likely to recover from COVID-19 economic devastation.
2. Post-COVID-19 recovery in [Sub-Saharan Africa](#) is weaker than that of other parts of the world, according to the International Monetary Funds (IMF). Decreased funds are unlikely to be compensated by increased domestic resources. These are the countries that will be negatively affected by the change in the Global Disease Split

3. Granted, any discussion on disease split depends on the success of the replenishment. The Secretariat does not provide individual country examples. But our own simulations show worrying results. Take the example of a low-income country X in our constituency with GDP per capita of about \$800 in 2021, HIV prevalence of 0.7%, TB incidence of about 48 per 1000 and about 15 million cases of malaria a year. This country might receive about 2 million less after the change of the disease split. This amount may appear paltry in the context of 13 billion; but it represents the equivalent of ARV medications cost for 26 000 people living with HIV and about 2 million doses of Artemisinin-based Combination Therapy (ACT) the main stay of malaria treatment or 2 million Rapid Diagnostic Test (RDT) distributed to affected.

Why is TB mortality this high?

4. The change of the Global Disease Split is premised on the need to reduce TB deaths. We need to first ask why is the TB mortality this high. The answer will determine the course of actions.
5. The TB vaccine used for prevention is about 100 years old. For diagnosis TB, the two main diagnostic equipment are the microscope and the GeneXpert machine, with the latter as the gold standard promoted in many countries. Diagnosing TB using the GeneXpert technology is heavily infrastructure and health system capacity dependent (power supply, trained lab technologist, etc.). In contrast, rapid diagnostic test (RDT) coming from research and technological improvements have made it easier, quicker and cheaper to diagnose HIV and malaria. In addition, the tests are much cheaper. For example, HIV test cost less than US\$1 for the test kits; in contrast, TB diagnosis using the Xpert cartridge costs US\$15 per test.
6. TB treatment success rate is high (86%) which implies that undiagnosed or late diagnoses, leading to complications are associated with TB deaths.
7. **Comparing TB with HIV and COVID-19**, the inflection point in the fight against HIV came when investment in research and development (R&D) produced diagnostics and antiretroviral (ARV) medications and those meds become available at a large scale. Developed and scaled-up Post and pre-exposure prophylaxes (PeP and PreP) help prevent HIV infection. Similarly, the light at the end of the tunnel appeared in the fight against COVID-19 when science successfully developed many diagnostic technologies and vaccines within a year to detect cases, prevent infection and severe diseases. New medications for COVID treatments have recently been rolled out. Sadly, the world does not yet have the equivalent of easy-to-use diagnostic technology, RDT, ARV, or PEP, PreP for TB.
8. Can we as a partnership review TB grant implementation and find what needs to be done differently to reduce TB deaths?
9. **Changing only the global disease split will not reduce TB mortality in these conditions.**

Disease Split and not mortality Split

10. The current disease split is based on the number of people living with and affected by the three diseases and not only on the number of deaths. Changing the disease split will affect the other two diseases with much higher disease burden

Table 1: Disease burden and annual deaths

	Prevalence/Incidence	Annual deaths from disease
HIV	38,000,000	680,000
Malaria	229,000,000 cases (annual)	400,000
Tuberculosis *	10,000,000*	1,500,000
(Including TB Missing*)	3,000,000	

Existing flexibility afforded by the Country coordinating mechanisms (CCMs)

- Country coordinating mechanisms (CCMs) can change the disease split to better fit the local epidemiology and needs. Do we plan to strip the CCMs of this flexibility? If not, how will we ensure that the increased allocation to TB programs will not be reverted, especially in countries with little TB but much higher gaps for malaria or health system funding? This argument can also be reversed: CCMs need to keep the flexibility to change the split in countries to provide more resources to TB programs as and when needed, based on epidemiology and resource context

Amid COVID-19, HIV and malaria needs

- In addition, as the incidence of HIV remains high (with about [1.1 million new cases in our constituencies](#), according to the WHO), we need fiscal space to scale-up treatment for PLHIV. **We recall with dread the time when PLHIV had to be sick with a CD4 count of 350 before getting treatment.** Malaria morbidity has stalled in the last few years while thankfully the mortality decreased. **Thus, millions people still need malaria care, otherwise they may die.** More than 94% of malaria deaths occur in our constituencies mostly in low-income countries and Challenging Operating Environments (COE). Meanwhile, as people and mosquitoes develop resistance to the main treatment and insecticides, next generation tools are costlier.
- We highlight that HIV and malaria programs still have funding gaps compared to their National Strategic Plans, despite having other donors than the Global Fund; all of whom we thankfully appreciate. The presence of other donors emphasizes the burden of those diseases.
- Let's learn from the earlier fight against malaria** in the world. **India** almost eliminated malaria in the 1960s but then *experienced "a rebound in cases after funding was withdrawn from its malaria program. At the turn of the millennium, there were 19.6 million cases of malaria each year,"* according to a [report](#) on lessons learned in ending malaria recently published by Friends of the Global Fund, Malaria no more and UN foundation. Let's not withdraw funds from programs because they appear successful in reducing deaths even as their stalled morbidity rates are worrisome.
- Let's** not endanger the response to the other diseases while making a decision that may not even significantly reduce TB deaths

Political signals for all three diseases

- Several voices highlighted the need to send a **political signal** that the Global Fund cares about TB. While we wholeheartedly support the need to decrease TB-related deaths, our partnership should **also send a signal that**

- a. **children born to poor households in low-income countries in malaria endemic regions and who cannot prevent their exposure to mosquitos should not die early while we can avert such an outcome.**
- b. **at the time of undetectable=untransmittable (U=U), we will not deprive people of existing prevention and treatment.**

Recommendations for actions within the Global Fund partnership control to reduce high TB deaths

17. We propose to **focus dedicated resources on the countries that contribute most to TB deaths to reduce TB deaths.** This focus approach will comprise of a review of strategies, approaches, efficiencies and effectiveness of application of existing resources, and implementation of a clear plan that is monitored in order to optimize existing value for money. Currently there exist no data on the value for money in order to justify a decision to change the global split, given the needs of HIV. Resources for this approach can go through catalytic funding, portfolio optimization, country splits, etc.
18. Following our new Strategy, the Global Fund should encourage integration and effectiveness, instead of the usual siloed approach by disease. An example will be to use C19RM to invest in equipment that will help fight COVID and TB (like GenXpert) or better integrate TB and HIV to put patients' needs at the center of our decisions and not disease programs or advocates.
19. To improve early detection and help with adherence to treatment, the Global Fund investment in TB should lean more towards integrated community systems with community health workers for early detection and to help avoid stigma.

Conclusion

20. **In view of the above, we cannot support the option of changing the disease split at this juncture.**

Canada – Switzerland – Australia Constituency

Statement for Global Fund Board Meeting, 8-10 November 2021

The Canada-Switzerland-Australia constituency would like to extend our significant thanks to the Global Fund Board, Committees and Secretariat.

Each decision point at this Board meeting marks the significant work required to arrive bring the decision to the Board, as well as the challenges overcome by the Global Fund as a partnership. In particular, the creation of the COVID-19 Response Mechanism has provided approximately USD 4 billion to support countries in responding to COVID-19 while protecting HTM programmes and continuing to deliver on our shared mission of ending HIV, TB and malaria.

We also would like to reflect on the results achieved by the Global Fund, with 44 million lives saved over the last twenty years. This is roughly the population of Canada and Switzerland put together and is a remarkable achievement of international cooperation for global health. Our constituency is proud to have played a part in this.

However, we also must be aware that this progress is not secure. The sustained pressure that COVID-19 is placing on health systems and economies is making access to health services and products across HIV/AIDS, TB and malaria increasingly difficult for people to access. We note with concern that years of progress are being threatened and, in the case of TB and HIV prevention, reversed. Our planning needs to recognise that the acute phase of COVID-19 is a multi-year event – we are in a COVID-era.

This sobering backdrop makes us more determined to look hard at our ambition levels, explore more flexible and effective solutions and work together to operationalise our new strategy beginning with a successful Replenishment next year in 2022.

With this in mind, we welcome the opportunity at this Board meeting to work together through the difficult issues and choices which lie before us.

CSA Views on Strategy Narrative

We would like to congratulate the Secretariat on the completion of the new **Strategy Narrative (GF/B46/03)**. As the culmination of an 18-month process with over 5,000 inputs, we recognise the work and dedication that went into it and the importance of ensuring a clear mandate for the Global Fund in the midst of an increasingly difficult operating environment.

We appreciate the Strategy's scope, ambition and efforts to outline how we will do things differently. We welcome the new emphasis on resilient and sustainable systems for health as the key foundation for universal health coverage. COVID-19 has reinforced the importance of resilient health systems in protecting progress on the three diseases and in responding to future epidemics. We welcome the holistic health approach taken within the Strategy that embeds human rights, integrates gender equality, and works with communities and key populations to change lives on the ground.

As we now look ahead to operationalise the Strategy, we would highlight the following points:

1. **Prioritisation will be needed.** This Strategy is broader and more ambitious than any Global Fund Strategy has ever been. If the array of interventions is not properly prioritised, there is a risk of dilution of impact, confusion for countries and over-stretching of the Secretariat.

2. **Catalytic funding** remains a key tool for the Global Fund to make progress in ways country grants cannot and should be well-leveraged in the upcoming strategy period. The results from the 2017-2019 allocation period make this point clear. The Finding Missing TB Cases SI is one such example of this, with over 1 million additional TB cases notified in 13 priority countries, decreasing the notification gap from 41% to 31%. However, we also take note of the TERG findings and recommendations from its most recent review and look forward to working with the Board and Committees to further improve this important funding stream.
3. **The Global Fund's approach to RSSH needs to be sharpened and increasingly foster endeavours that help transform health systems to improve their performance and overall resilience.** This will benefit HIV, malaria and TB control. As has been noted in various reviews on RSSH, there is much work still to be done to define what the Global Fund does and does not do in RSSH. As part of this work, it will be important to provide development guidance and incentives which will help countries and local partners to improve the resilience and sustainability of their health and community systems. This becomes only more critical with the inclusion of Pandemic Preparedness and Response in the next Strategy.
4. As we turn our attention to implementation of the strategy, our constituency would emphasize the importance of **including equity and gender in our analysis and performance monitoring** to better understand intersectional vulnerability of the communities we seek to serve and guide our efforts to support these populations. This includes, for example, consideration of an individual's gender as well as their status as a member of a key population group. Making an extra effort to include gender wherever possible in our analysis allows our partnership to better understand the needs of individuals and improves the impact of the support we provide.

CSA Positions on Decisions at BM 46

Finally, there are a range of issues at this Board meeting for decision which are important to take stock of:

1. With regards to the **Global Disease Split for the 2023-2025 Allocation Methodology (GF/B46/04)**, our constituency reluctantly supports the Secretariat's recommendation to **modestly increase TB funding over a threshold. Given TB's contribution to global mortality and its historical underfunding, we believe this proposal does not go far enough to scale up TB funding**, and is a missed opportunity to rebalance the Global Fund's support across the three diseases. However, we have worked with other constituencies and the Secretariat to develop a friendly amendment to this decision point, which has two main objectives:
 - a. to request that the Secretariat define and plan to use all levers, including the allocation methodology, catalytic funding, portfolio optimisation, program split flexibilities and innovative financing approaches, to increase the scale and impact of TB funding.
 - b. to guarantee that an independent review of the Global Fund's approach to resource allocation to maximise impact, including the Global Disease Split, is conducted in a timely fashion over the next replenishment period in order to inform decision making ahead of the 2025 replenishment.
2. On risk issues including **Recommended Updates to Risk Appetite (GF/B46/06)** and **Semi-annual Risk Management Report (GF/B46/19)** we note and support the increases in risk proposed to the Board. We believe that these trade-offs are critically important in terms of continuing to deliver, and making up for lost ground, in the highly challenging operating environments caused by COVID-19. We note that the Global Fund is constantly analysing and optimizing its risk management framework against the changing context, and we thank the Global Fund leadership and team for their ongoing efforts to monitor and maintain a strong set of internal systems for

managing risk. We do note however that these are issues which will need ongoing engagement, attention and clear communication to the Board in managing these risks across political and governance dimensions, particularly in the lead up to the 7th Replenishment.

3. On the **OPEX Evolution Budget 2022 (GF/B46/02 Part A and B)** – in our support for this budget we would like to note our support for the resource allocations to the Secretariat and the People Strategy. We know the work behind the scenes is often thankless, so thank you. We also see people development as one of the most effective ways to ensure sustainable and improved outcomes and as key to our shared mission. We also note our appreciation for the high efficiency of operating expenses indicated by the declining OPEX/Pledge ratios.
4. On the **Independent Evaluation Function (GF/B46/05)** we welcome this new approach to the independent evaluation function, and look forward to having this implemented in 2022 to accompany the new Strategy and having the work of the Unit and Panel inform our future Board discussions.

Decision points	CSA Vote
OPEX Evolution Budget 2022: GF/B46/02_Part A GF/B46/02_Part B	Support
Strategy Narrative GF/B46/03	Support
Global Disease Split for the 2023-2025 Allocation Methodology GF/B46/04	Support with proposed amendments
Independent Evaluation Function GF/B46/05	Support
Recommended Updates to Risk Appetite GF/B46/06	Support

Communities Delegation

to the Board of the Global Fund to fight AIDS, Tuberculosis and Malaria

CONSTITUENCY STATEMENT

46th Global Fund Board Meeting

8-10 November 2021

The Communities Delegation is pleased to submit a few comments for the 46th Global Fund Board meeting. We appreciate the work of the Board and the Secretariat during the current challenging times. COVID-19 has disrupted our way of working, and more than a year into the pandemic, we still have not been able to achieve the right formula for meaningful engagement in the new online working modality of the Board. We celebrate that we are finally close to approving the narrative of the new Global Fund Strategy. We want to acknowledge the input of the communities living with and affected by HIV, TB and malaria, Board members and the outstanding work of the Secretariat during this process.

I. Global Fund Strategy Narrative (GF/B46/03)

The Communities Delegation commends the Strategy Committee and the Secretariat for their hard work and dedication over the past eighteen months. We appreciate the opportunity to contribute to this process collectively, and we extend our thanks to the Board for their support and continued collaboration. Most importantly, we want to acknowledge the patience, involvement and continued contributions from communities, people living with and affected by HIV, Tb and malaria, throughout the entire process. Overall, our delegation is satisfied with the narrative and believes it aligns with the framework approved during the July Extraordinary Board Meeting. As stated by several other constituencies, we look forward to the next steps and discussions. We are keen to start addressing the "how" of the Strategy, particularly **"how" to put people and communities at the centre effectively**.

The Communities Delegation has provided extensive input throughout the strategy development process, and we have done so based on several consultations with the many communities we represent. While there are several additions to be celebrated in the final text, we remain vigilant with regards to the operationalisation and take the opportunity to submit the following comments for consideration:

1. *Adequate Funding for Communities, including Community-Led Services*: Once again, our latest consultation confirmed what we have repeatedly stated and requested throughout the Strategy development process. For the Strategy Narrative to deliver on its premises and promise, **communities must have access to adequate resources**. In line with the points detailed in Annex 1, we urge the Board to consider a focused and direct stream of funding for communities and civil society, especially highly discriminated and criminalised KPs, including in countries transitioning out of the Global Fund.
2. *Maximising Health Equity, Gender Equality and Human Rights*: The objectives of maximising Health Equity, Gender Equality and Human Rights are critical should we want to reach the Strategy's goals. We welcome the undertaking to catalyse **a renewed partnership-wide commitment to decriminalise communities most affected by the three diseases**, support enabling legal and policy environments and

Communities Delegation

to the Board of the Global Fund to fight AIDS, Tuberculosis and Malaria

leverage the Global Fund's diplomatic voice to challenge laws, policies and practices that limit the impact on HIV, TB and malaria.

3. *Integrated person-centred quality care*: We welcome the inclusion of sexual and reproductive health and rights (SRHR), gender-based violence programs, comorbidities such as Hepatitis C and mental health services in the new Strategy. However, as noted by our participants in the consultation, many people from communities face all three diseases within key population groups, underscoring the need for integrated care and integrated programme delivery. **We can no longer afford to work in silos of diseases. Instead, we must work on addressing the holistic needs of the individual.**

The Communities Delegation looks forward to the approval of the Strategy Narrative and takes the opportunity to also share some comments for the following steps:

- *Eligibility and Allocation*: The options proposed by the Strategy Committee lack ambition and lock us into the status quo. Maintaining the same eligibility criteria through a pandemic represents a disconnection from reality. COVID-19 has severely affected health systems in general and damaged the micro and macroeconomics of all countries, particularly MICs. We disagree with the assertion that GNI p.c. is a robust methodology **as it fails to measure inequality**. The continued use of GNI p.c. portrays a Global Fund that is misaligned from the Global AIDS Strategy, which focuses on ending AIDS by ending inequalities. Failure to fully address inequalities is a guarantee for failure in ending the epidemics. Furthermore, it's not realistic to wait three years to move a country into its eligibility category and eventually allocate resources whilst people die waiting for the world, waiting for the Global Fund to take action. This becomes even more evident in the current global situation.
- *Malaria elimination*: Malaria elimination is a high resource-demanding goal. Great strides have been achieved in the response to malaria, but we are not close to ending malaria, and it is not yet time to celebrate. **As malaria becomes more invisible due to success in elimination, funding cannot and must not be reduced.** Countries should not be penalised for their successes.
- *C19RM*: We commend the Secretariat, in particular the stellar work of the CRG department for the effective and efficient delivery of C19RM. The CRG department, in partnership with Global and national community networks, was able to significantly improve the engagement of communities in the C19RM request processes. That was done in a race against time, with minimal financial support and challenging country systems that do not yet value communities' input. We reiterate that we must further strengthen community leadership and engagement, particularly in implementation and monitoring. The Communities Delegation requests that the Global Fund embrace the lessons learned and best practices during the latest C19RM experience to identify the building blocks of the strategy's subsequent implementation (the "how").

II. Global Disease Split (GF/B46/04)

Communities Delegation

to the Board of the Global Fund to fight AIDS, Tuberculosis and Malaria

The Communities Delegation strongly supports our constituents affected by TB and the concerns expressed by StopTB and other constituencies. Keeping the status quo to the Global Disease Split will continue to impact the TB response negatively. **People living with TB will die, people at risk and vulnerable to TB will not have access to prevention, and systems will not be able to implement life-saving strategies in their countries.** In light of the worrying data and projections for TB, the Board must STOP avoiding difficult conversations, be bold in their decisions, make decisions based on science and NOT on political motivations and must support an option that incrementally increases investment in TB programming. We are highly concerned about the entire process around this critical decision. Firstly, an amendment was submitted at the last minute, giving our constituencies no time to react to the new revision. In addition, other proposals had already been submitted but were not considered, such as the WHO proposal for the 17th Strategy Committee meeting.

Our delegation strongly supports the recommendations put forward by WHO and invites this Board to consider revisiting this proposal. We equally echo WHO's shared "guiding principles for considerations around the eligibility and allocation for the next cycle of Global Fund investment in countries: **consistency with the global disease burden, securing the gains made so far for HIV, malaria and TB, protecting the poorest, by preserving the allocation to low-income countries**", all this from a **Human Rights, Equity and Access** lens.

Annex 1
**Input from Communities Delegation and Love Alliance webinar
on the Global Fund Strategy Narrative**
46th Board Meeting, 8-10 November 2021

On 28 October 2021, members of communities of people living with and affected by HIV, TB, and malaria participated in a consultative webinar hosted by the Global Fund Communities Delegation and the Love Alliance.¹ Key populations and those most affected and made vulnerable to the epidemics came together to provide final input on the new Global Fund Strategy for 2023 to 2028.

We have collectively invested more than two years in the development of the new Strategy. Now it is crucial that we collectively ensure that its goals and objectives will be realised through our actions as we prepare for the implementation of the next Strategy. As the Strategy is being finalised and details on the next steps for implementation are worked on, the input echoed by communities during the webinar calls for the urgent need for **direct community funding, a renewed focus on key populations and vulnerable groups, and ensuring that our health equity, gender equality and human rights objectives are achieved.**

Adequate Funding for Communities, including Community-Led Services:

The resounding call was for direct funding for community-led organisations across HIV, TB and malaria programmes. Communities have consistently highlighted the urgent need for adequate funding for communities during the various stages of input, particularly during the Partnership Forums. The new Global Fund Strategic Framework states within its primary goal 'working with and to serve the health needs of people and communities.' For communities to truly be at the centre of the Global Fund's work and Strategy, it requires addressing the funding gap for communities. The Global Fund must prioritise funding for communities and community-led interventions. In countries where people are criminalised and given the current challenges for communities to receive funding through the CCM-driven model, a direct funding stream or other innovative measures will have to be developed to provide the funding for communities.

Representatives from across HIV, TB and malaria communities indicated that they do not have the funds to deliver services and strengthen health services, especially in TB and malaria, which has highly commoditised programming. Less than 2% of HIV funding for 2016 to 2018 went to key populations even though key populations accounted for over half of all new infections.² Overall funding for community organisations has declined.

The Strategy includes a commitment to accelerate the evolution of Country Coordinating Mechanisms (CCMs) and community-led platforms to strengthen inclusive decision-making, oversight and evaluation throughout Global Fund-related processes. However, current power inequalities within CCMs, where community and key populations representatives often have

¹ The Love Alliance, a strategic partnership of seven organizations, representing community and key population organisations working with Aidsfonds and the Global Network of People Living with HIV (GNP+)

² PITCH, Bridging the Gaps, Aidsfonds, 2020, *Fast-Track or Off-Track: How insufficient funding for key populations jeopardises ending AIDS by 2030.*

“a seat at the table, but not a say”, mean that we need direct support, including funding, to be streamlined for these community members. Far from facilitating Key Populations’ and communities’ access to funding, CCMs have themselves often acted as the prime barriers or gatekeepers preventing such access.

We propose that a target to outline how direct community funding will be ensured is discussed throughout all the steps to prepare for the implementation of the Strategy. We also recommend that the Global Fund align itself to provide funding in line with global targets such as the High-Level Meeting on TB, the 30-80-60 targets for community-led service delivery outlined in the Global AIDS Strategy³ and the Political Declaration on HIV⁴, and adapt these targets across TB and malaria too. This could be a share of catalytic investments, a strategic initiative, a proportion of the Global Fund’s funding or country portfolio and/or a case by case review of country grants for countries where this is not included.

The Political Declaration on HIV and AIDS commits to increasing the proportion of HIV services delivered by communities, including by ensuring that by 2025, community-led organisations deliver:

- 30 % of testing and treatment services, with a focus on HIV testing, linkage to treatment, adherence and retention support, and treatment literacy;
- 80 % of HIV prevention services for populations at high risk of HIV infection, including for women within those populations
- 60 % of programmes to support the achievement of societal enablers

Maximising Health Equity, Gender Equality and Human Rights:

The objectives of maximising Health Equity, Gender Equality and Human Rights are critical should we want to reach the Strategy’s goals. We welcome the undertaking to catalyse a renewed partnership-wide commitment to decriminalise communities most affected by the three diseases, support enabling legal and policy environments and leverage the Global Fund’s diplomatic voice to challenge laws, policies and practices that limit the impact on HIV, TB and malaria.

There is a heavy reliance on co-investment, the use of tailored co-financing requirements or catalytic investments to incentivise national or global partners to undertake or scale-up programs to address structural barriers to HTM outcomes. How will we increase human rights and gender equality investments while relying on co-investments and co-financing for work on societal enablers from countries that do not respect these principles?

While there is more recognition of the structural barriers and one mention of the Global AIDS Strategy 10-10-10 targets on societal enablers in the Strategy, it is not clear how the Global Fund will take this forward. Given that many countries are unlikely to invest in this work, especially in countries where key populations are criminalised, we again call on the Global Fund to align itself with the Global AIDS Strategy commitments on societal enablers (across

³ UNAIDS. Ending Inequalities, Ending AIDS: Global AIDS Strategy 2021-2026.

⁴ United Nations General Assembly, 2020. *Political Declaration on HIV and AIDS: Ending Inequalities and Getting on Track to end AIDS by 2030.*

TB and malaria and all Global Fund work), during the discussions on implementing the Strategy:

- Less than 10% of countries have punitive legal and policy environments that lead to the denial or limitation of access to services.
- Less than 10% of people living with HIV and key populations experience stigma and discrimination.
- Less than 10% of women, girls, people living with HIV and key populations experience gender-based inequalities and all forms of gender-based violence.

Integrated person-centred quality care:

The inclusion of sexual and reproductive health and rights (SRHR), gender-based violence services, comorbidities and co-mortalities such as Hepatitis C and mental health services in the new Strategy is welcomed. However, many people highlighted that they were from communities who were facing all three of the diseases within key population groups, highlighting the need for integrated care and integrated programme delivery. We are united as communities and do not want funding for specific groups or to work in silos. For us, it is about the importance of getting enough funding for all of the Strategy's objectives to be achieved so that there is no reason not to have enough funding for communities.

Developed Country NGO Delegation
Constituency Statement 46th Board Meeting
November 8 – 10, 2021

The Developed Country NGO Delegation is pleased to offer the following comments before the 46th Board Meeting and looks forward to the productive discussions ahead.

Report of the Executive Director

We strongly agree that getting back on track must be our top priority for 2022 and despite the Covid-19 crisis we must increase our level of ambition to move beyond solely regaining lost ground. This should involve seeking (new) opportunities to increase coverage of HIV, TB and malaria preventive and therapeutic services, to reach key and vulnerable populations, and to save lives. These are Global Fund ambitions in crisis contexts according to the COE policy, and so should remain also within the current Covid-19 crisis. We do not yet know how Covid-19 will evolve in 2022 and beyond, but different countries will experience a myriad of other challenges, as we are already witnessing. As the Global Fund continues to adapt to a “new normal,” it must be guided by priorities identified by country governments and communities, and take any opportunity to advance towards our strategic goals of ending HIV, TB and Malaria wherever possible.

Global Fund Strategy Narrative

We commend the work of the Strategy Committee and the Secretariat in the highly consultative process undertaken to determine the Global Fund’s next Strategy. We are pleased to see important inputs reflected in the narrative that have been made by our delegation as well as other leading civil society and communities groups and networks in the Global Fund Partnership. While we understand that the Strategy narrative is considered final, we take this opportunity to highlight areas where we anticipate and look forward to further Board and Committee discussion and decision as we move closer to and gear up for the implementation of the next Strategy.

- The new Strategy is a landmark document in the global health arena and will allow the Global Fund Partnership to lead by example in new and deepened areas of work. To that end, and recognizing the important coordination and influencing role of the Global Fund, **we request from the Secretariat a timeline outlining when specific areas of strategic importance will come to Committee and the Board for discussion/decision as critical strategic enablers/directions that will facilitate the successful realization of our collective goals.** These issues include but are not limited to: the NextGen Market Shaping strategy; Digital Health Transformation; Private Sector Engagement; RSSH; and, Pandemic Preparedness and Response.

- **We request clear timelines from the Secretariat and Strategy Committee for Board discussion and decision that will allow us to concretize the Global Fund’s “evolving objective on Pandemic Preparedness and Response”.** While this issue continues as a rapidly developing area of work and coordination with respect to the global Covid-19 response, an agreed timeline to define the Global Fund’s role in PPR more broadly is critical to guide and support planning across the Partnership, managing (internal and external) expectations, and clearly defining and communicating our areas of focused contribution, and the resources required to do so. Equally crucial will be clarity should there be the undesirable reality of flatlined funding and the potential adverse implications for our investments in HIV, tuberculosis and malaria.
- As we have previously indicated in earlier statements and contributions to the Strategy Development process, we support the proactive engagement of people with disabilities and the mental health community at national, regional, and global levels. We view this as an essential measure to ensure that Global Fund programs are inclusive and responsive to the complex intersectionalities and evolving needs of the communities we serve, promote and protect. **While we applaud these measures, we believe the language used in the draft narrative regarding its partnership with communities with long-covid (Page 28-29 Chapter 6.B.4) could be interpreted as the Global Fund expanding its scope and reach to a new community of people living with and affected by Covid-19.** This further underscores the importance and urgency of Committee and Board decision on the Global Fund’s mandate within the broad scope of PPR.
- We note the additional language on the role of the private sector that has been included after SC17 (Page 43, Chapter 8). The language relates to how the private sector can assist countries in developing their procurement and supply systems. **We do not believe that it is within the private sector’s remit to support the strengthening of regulatory systems, even though there are numerous ways the private sector may assist governments in improving their procurement and supply systems.** This, we believe, is and should remain under the remit of the WHO.

Additional comments on Next Steps on Preparations for Strategy Implementation

We thank the Secretariat for this overview of the preparations to be undertaken for rapid and succinct implementation of the next Strategy. **What we find missing from this document is reflection and clarity on the structural changes/shifts that will be needed at a Secretariat and Partnership level that will enable us to make marked advancements in strategic areas that are core to our mission and mandate (e.g., human rights and gender equality, sustainability, transition and co-financing, etc.).** These are areas that have been and continue to be a challenge under our current strategy, and that have seen significant roll-backs since the onset of Covid-19.

Update on Draft M&E & KPI 2023+ Framework Development

We thank the cross-Committee Working Group on M&E for the significant work to-date moving us towards M&E and KPI frameworks that are fit for purpose in guiding the implementation of the next Strategy. We believe this report demonstrates the significance of having more detailed qualitative and quantitative indicators, including real-time data on the demand, uptake and progress made on dismantling the social and structural drivers barring timely access for and leadership of key and vulnerable populations. With increased accuracy and accessibility of data and a more refined approach to measurement, adjustments can be made to demonstrate the impact of the Global Fund's investments and actions. As we raised in the pre-board session to the 46th Board meeting, we have a couple questions for clarification:

- In order to support the technical experts in the Working Group areas, **we request Board access to the Terms of Reference and participant list of the selected experts for each Working Group;**
- We underline the crucial importance of ensuring not only **gender balance but also equal representation of experts from Implementing Country partners, including civil society and community representatives** in each Working Group ;
- Recognizing the many intersections and cross-cutting issues that thread across the Working Groups, **we seek clarity on how coordination and cross-fertilization will be/is being facilitated and encouraged during and between the Working Group** workshops and consultations;
- So to ensure the development and measurement of meaningful KPIs, **we ask the Secretariat for clarity and timelines for Committee and Board discussion on Global Fund strategies that will guide critical new and deepened areas of work** including but not limited to: digital health transformation, NextGen Market Shaping, private sector engagement, RSSH and PPR.

Allocation Update and Global Disease Split Decision

As the largest international donor for tuberculosis programming, the Global Fund's allocation approach and process are critical for advancing the global TB response and achieving the targets laid out in the UN Political Declaration on TB, as well as the SDG targets to end TB as a global public health threat by 2030. We welcome the changes aimed to reflect a more equitable allocation to TB programs and to shore up Global Fund investments in this area, while similarly ensuring scale-up of HIV and Malaria efforts. We are

convinced that the Global Fund should and can do more to increase the resources urgently needed to prevent TB programs from deteriorating further and that greater focus of investments need to be made in support of TB-related community structures and service delivery.

Progress Report of the OIG mid-2021

We welcome the report from the Office of the Inspector General (OIG) and the steps taken to detail the ongoing impact of Covid-19 on Global Fund programs at country level. However, **we note missing detail on the increase in human rights violations faced by key and vulnerable populations groups since the onset of the Covid-19 emergency.** As a key strategic objective of our current and in-coming strategy, **we request greater focus in the Secretariat's reporting to the Board and Committees on the progress, persistent challenges, risk and opportunities** to achieving our targets on protecting and promoting the health and human rights of the communities and people impacted by HIV, tuberculosis and malaria.

Regarding the increased use of the Global Fund Market Shaping Strategy Pooled Procurement Mechanism and requests originating from Wambo, we take note of the OIG concerns about an increased usage of these mechanisms since the onset of the Covid-19 pandemic. **While we acknowledge that current process configurations and processes for wambo.org rely heavily on manual controls that are difficult to modify,** (as mentioned on page 5 of the report), **we advise the Secretariat to "automate current controls to enable the platform to scale up transactions."**

Further, **we urge the Board, Strategy Committee and Secretariat to consider the following questions in their respective deliberations on these issues:**

- How are these constraints related to the risk mitigation measures proposed by the Secretariat to direct further use of PPM/Wambo for C19RM grants?
- How will the Global Fund assess alternatives for countries to ensure both fiduciary and programmatic risks (e.g., risk of delays)?

Recommended Updates to Risk Appetite

We support the decision to temporarily increase risk appetite for specific risks and extend the timeframe for reaching target risk levels.

We would like to reiterate that any acceptance of increased risk needs to come with clear accountability measures.

- We would also like to stress the importance of finding the right balance between risk mitigation and avoiding adverse impacts on program delivery. **To this end, we encourage the Secretariat to consider and analyze the impact of in-country missions and country-level engagement in risk management and the effect of an increased risk appetite on these programs.** For example, we would like to see a more balanced approach in the promotion of wambo.org and PPM as the preferred mechanisms for the C19RM.
- In this regard, it is important to underscore the inherent evolving nature of risks and the fact that the level of risk may change/fluctuate according to contextual factors. **We reiterate our previously stated position that under the C19RM countries should be able choose the appropriate procurement mechanism based on need.**

We are also concerned with the considerations proposed to assess a target risk level and priority intervention. We would like to see specific parameters and criteria to internally evaluate the future impact of this decision to increase risk appetite for each area. Further, **we recommend the development of a monitoring and evaluation framework that will allow for more systematic and coordinated learning on risk and risk mitigation.**

Update on Resource Mobilization and the Seventh Replenishment Action Plan

We welcome the detailed Action Plan for Replenishment, and the risk section and lessons learned from C19RM implementation as critical for the upcoming 7th Replenishment. We welcome comments on the crucial role of communities and civil society organizations in the Replenishment process including the risk of underfunded and under-resourced advocacy activities.

We take note of the Secretariat's proposal to include the NextGen Market Shaping plan into the GF 2023-2028 Strategy, thus eliminating the need to update the current Market Shaping Strategy.

- **Given the substantial resources (about 50% of Global Fund annual expenditure) devoted to health commodities, we believe it is imperative to create a comprehensive and principle-based strategic plan in this regard, in addition to the overall new Global Fund strategy 2023-2028.**

We note that while the Action Plan relies on domestic resource mobilization / co-financing to showcase the unique nature of the Global Fund partnership, the risk of insufficient domestic resources in the current fiscally constrained environment is overlooked.

- Furthermore, we note **the need for further detail on Secretariat plans to outreach and engage new donors in replenishment efforts.**



The Developing Country NGO Delegation acknowledges the Global Fund Secretariat, Board Leadership, Committee Leadership and fellow Delegations for their commendable work in advance of this 46th Board Meeting.

We also cannot be complacent that consensus on what the Global Fund should do will automatically lead to consensus or effective action on 'how' it should be done. As we look forward to implementation of The Global Fund's next strategy, DCNGO has some comments regarding our next steps. These statements are particularly relevant to three areas of consistent interest to our constituency, which did not receive clear operational guidance in the final Strategy Narrative.

- 1) **Resourcing and measuring the commitment to “people” and “communities at the center.”**
- 2) **Bolder ambition on TB**, including a greater recognition and support of the critical role of communities and civil society in finding missing cases, providing psycho-social support and other services.
- 3) **A responsible approach to transition**, particularly as the evolving response to the C19 pandemic has a disproportionate impact on vulnerable populations and economies.

We remain assured that operationalization of these priorities will become clearer and more definitive in the coming months. We also agree that there must now be a focus on the changes needed at the Secretariat level and other areas of the partnership in order to successfully implement the new strategy.

Work with communities cannot solely be the mandate of CRG. All parts of the Global Fund's architecture and funding model must reflect the priorities of the new strategy. In short, accountability for “community-centered” results must be balanced with the authority granted to all divisions to achieve them.

Our delegation recognizes the need to increase funding for TB and appreciates the work of the Secretariat presenting detailed analysis of the proposed options for Global Disease Split. We are supportive of reaching a way forward that will allow more funding to be allocated for TB, the biggest killer among the three diseases.

We acknowledge the consultative and transparent process employed to develop KPIs, and will continue to monitor this closely.

We are assured by the OIG's commitment to engage civil society and community actors in audits, and appreciate the expansion of this engagement to mechanisms which report and investigate sexual exploitation and human right violations.

We recommend that a plan for informing and engaging CCMs and other key in-country stakeholders should be developed to establish appropriate lines of communication and input on the risk appetite, and to ensure collective support for the updated risk appetite and target risk levels by key in-country stakeholders.

The next steps of the strategy development process must be inclusive and consultative. In particular, the communities that stand to benefit from the strategy must be provided with equitable opportunities to contribute to the progress and impact of our next strategy. Pandemics start and end with communities. Being inclusive and doing justice to the word equitable is important, since communities and civil society actors cannot trust a system to which they constantly have to fight to be adequately included, sufficiently resourced or consistently justify their central role in reaching their populations.

Global Fund 46th Board meeting

European Commission/Belgium/Italy/Portugal/Spain Constituency Statement

Given the very challenging environment in which the GF had to operate these past 18 months, the constituency wants to acknowledge the work of the Global Fund partnership to mitigate further backsliding in the 3 diseases. We express our gratitude to the Secretariat and the full partnership for the tireless efforts to mitigate the impact of Covid-19 on the three diseases.

We welcome the ED report, which describes the realities in which the GF will be operating in the years to come, and we support the six priority workstreams for 2022, ensuring a maximum impact on the current grant implementation, while preparing to best implement the new Strategy.

We gladly approve the revised strategy narrative, which we believe reflects a highly consultative process. We now need to turn to the implementation of the strategy, ensuring that the highlighted components on what must be done differently are fully operationalised. We recognise the resources allocated through the OpEx for the implementation of the new strategy.

We would appreciate further discussion on how this implementation will materialise. We wish to highlight some critical areas that should be addressed through this discussion:

- The need to review the allocation of resources in a holistic way, looking at the different levers, with the view to overcome the disease siloes, and eventually ensure our collective decisions will increase value for money and impact.
- How the GF will further collaborate with other GHIs at global and at country level, aligning with the national stakeholders whenever possible with a view to a people-centered approach and further integration of services.
- The GF contribution to HSS: with eight years to go to achieve the SDG targets, strong health systems will be critical to sustain the gains achieved, and to ensure successful transition for countries exiting GF support. Yet, as the report from the TRP Advisory on RSSH has shown, investments in RSSH remained fragmented, unsystematic and RSSH indicators used insufficiently. This requires longer-term approach, and warrant an evolution of the GF business model. In this context, it will be particularly important to fully implement the recommendations put forward by the TRP on RSSH.
- The focus on key population, target in-country inequities and strengthen the role of communities throughout the cycle, from funding proposal to implementation and evaluation.

Implementation will also require regular monitoring and evaluation. We very much support the Independent Evaluation Function in this regard. We would echo other constituencies' comments that the principle of independence needs to be integrated in the Standard Operating Procedures. In addition, this new Evaluation Function should be able to stimulate demand for reviews/evaluation from the country level.

We also welcome the work started on the measurement of performance, and on the KPIs specifically. If we want delivery of the 10 key changes outlined in the Strategy, this needs to be explicitly measured, preferably through KPIs, or at least through other measurement approaches.

We also recognise the importance of C19RM within the ACT-A for all non-vaccine pillars. Regarding absorption at country level, the OIG report points to some delays regarding the in-country procurement and supply chain. This highlights once again the need to continue quality investment in HSS, with long-term capacity-building to be systematically prioritised.

We believe that the C19RM should continue in 2022, with robust M&E structures in place and impact review. Regarding its replenishment, given the competition for resources, we believe it is paramount that beneficiary countries further help advocacy for both vaccines on non-vaccines components.

Finally, we should take stock of the lessons learnt through the C19RM, as regards data availability and coordination with partners, and look at what can be translated in the GF business model.

The next replenishment will take place in a very challenging environment, but will be crucial to ensure that sufficient resources translate these decisions on allocation and implementation into meaningful impact. We need a very strong narrative in the investment case, which needs to highlight how the GF will be positioned within the Global Health architecture in the coming years including in support pandemic preparedness and response, and what it will do differently. Given the competition for resources, it will be crucial to broaden the donor base, and in this respect the investment case should also seek to increase private sector involvement as a more substantial funding source.

The different workstreams also require governance continuity, and on this matter, we would appreciate if the Secretariat could give clear timelines for the different processes for the Committee leadership and membership selection and the Board Leadership nomination, including a document summarising the length and intersections of the various key functions mandates (ED, BL, Committees, IG).



EECA Statement on Approval of Strategy Narrative for the 2023-2028 Global Fund Strategy

The Eastern Europe and Central Asia constituency welcomes the proposed Decision Point: GF/B46/DPXX: Approval of Strategy Narrative for the 2023-2028 Global Fund Strategy. The EECA constituency wants to use the opportunity to make couple of comments.

First of all, we want to praise an inclusive process of development of the Strategy Narrative and efforts made by the leadership of the Strategy committee and Secretariat to enable and support this highly consultative process. Inclusion, partnership, consultations and engagement are of an incremental importance and part of the DNA of the Global Fund.

Hearing from marginalized and vulnerable is more important now than ever, when the Covid-19 pandemic and social barriers have again mostly affected the key affected populations and threatened the progress achieved. Unfortunately, the Covid-19 pandemic has demonstrated once again that our fight against three diseases cannot be completed until we address the social barriers and inequities. Therefore, we are welcoming the strategic vision presented in the strategy narrative: world free of the burden of AIDS, tuberculosis and malaria with better, equitable health for all.

Also, we are welcoming the focus of the new Strategy on the equity and sustainability, and its determination to take action to tackle human rights and gender-related barriers and leverage the fight against HTM to build more inclusive, resilient and sustainable systems for health (RSSH).

Building more resilient and sustainable systems for health is the only way to protect the gains and results achieved by the Global Fund, countries and other partners in fight against HIV, TB and Malaria. The systems for health have to be better prepared to respond to pandemics, provide service to all people in need without any form of discrimination, and finally these systems must be capacitated to sustain and continue fight against three diseases after the end of the Global Fund's support. This is an essentially important task ahead of us, because the health systems are the fundamental part of response to three diseases, but also to pandemics that can threaten and put under a risk all that we have achieved.

Our primary goal of ending three diseases is well reflected in the proposed strategy narrative, but we have to emphasize our support to the evolving



EECA Statement on Approval of Strategy Narrative for the 2023-2028 Global Fund Strategy

objective of the strategy narrative – to contribute to the pandemic preparedness and response.

On the basis of support provided by the Global Fund to the countries in response to Covid-19 pandemic throughout its Covid-19 support mechanism, the EECA constituency had hoped that the Global Fund will have a more prominent role in the global health architecture and pandemic preparedness. We are praising agility and ability of the GF to move fast and support the country response to pandemics. We are hoping that having an evolving objective of contribution to the pandemic preparedness and response will enable countries to develop their own programs and efficiently implement these programs with the support of the Global Fund.

The development and approval of this strategy represents a milestone step for all of us. However, we call on the GF Secretariat to think already of the document promotion and implementation. Donors planning to pledge for the next replenishment, governments and decision makers at the local level, final beneficiaries whose life depend on GF programs – all need to clearly read and understand what and how this strategy will translate into for each of them and us. Thus, the next milestone is equally important to plan and commit to.

Considering the tremendous mobilization of actors, efforts and resources around the world for the development of the next strategy, the EECA team wants to express its gratitude and appreciation to hardworking team of the Strategy committee, Secretariat, communities, and all partners who gave contribution to development of the Strategy narrative.



The Secretariat for Eastern Mediterranean Constituency
of The Board of The Global Fund To Fight AIDS, TB and Malaria

Eastern Mediterranean Region Constituency

Statement for 46th Board Meeting of The Global Fund

The EMR Constituency appreciates the secretariat's efforts for organizing this board meeting virtually and measures for continuing business despite global restrictions imposed due to COVID-19 pandemic.

We express our gratitude to all fellow constituencies for constructive discussions during the past few months and especially through the pre-day meeting and their endeavours for consensus building on some important issues reflected in latest amendments.

Considering the above, would like to share the following reflections and comments on different issues for discussion during the 46th board meeting.

COVID-19 Response and Business Continuity

The pandemic continues to threaten lives and risk our investments in HIV TB and Malaria. However, it has also presented an opportunity for the Global Fund to step up its fight against three diseases.

We think the focus should be on mitigating the impact of COVID-19 on the Global Fund mission through rapid deployment and effective implementation of C19RM funds and continue, in collaboration with partners specially WHO, to fast-track program adaptations as needed, scale up supply operations for diagnostics, PPE and treatment in implementing countries and support meaningful engagement of communities and civil society within the broader COVID-19 response.

The EMR constituency is concerned that the epidemiological situation of COVID-19 in some EMR countries is very serious with unstable political situation or prolonged health emergencies. The spread of variants of concern would be a real threat to COVID-19 outcomes and the Health System. Special attention must be paid to many countries with challenging environments where testing is very low and health systems are very weak. EMR countries are often home to populations that are highly vulnerable to COVID-19 such as refugees, migrants and internally displaced people. For example, recent situation in Afghanistan and Sudan need close attention and proper planning by the secretariat to ensure continuity of services while ensuring financial safeguards.

We would like also to urge governments and companies in developed countries to facilitate technology transfer for vaccine production in developing countries to minimise the impacts on health systems all over the world. We should remember that no one is safe unless everyone is safe and stopping the spread of the virus will minimize the chance of emerging new variants.

Address : Simaye Iran St., Phase 5, Shahrake Qods, Tehran 14665 – I. R. Iran

Tel: (+98-21) 88363714

www.emrctgf.org

Fax: (+98-21) 88363715



The Secretariat for Eastern Mediterranean Constituency
of The Board of The Global Fund To Fight AIDS, TB and Malaria

Update on M&E & KPI 2023+ Framework Development

The EMR Constituency welcomes the consultative process for KPIs development. We need to ensure that we have better metrics to measure the strategic impact, in particular on long-term goals such as systems strengthening, human rights and gender and coordination/synergies with other global health partners. The current KPIs used for grant reporting don't reflect the actual progress in the program management. KPIs reflect absorption and percentage of achievement rather than taking a bigger picture assessment of how the indicators are impacting on ending the epidemics and not taking into consideration the contribution and impact of other sectors e.g. private, CSOs and NGOs on ending the diseases.

The EMRC suggests developing indicators that can truly reflect the overall effect and impact on the ending the epidemics and link it with investing in the GF. We would like to see greater involvement of the implementer country and board constituencies in the working groups discussions and after that before finalizing the KPIs for the board decision.

Report of the Executive Director

EMR Constituency congratulates the Secretariat for progress achieved against the 2021 priorities and extends its particular appreciation to the Executive Director for swift response to recent Afghanistan situation where The World Bank halted their support for Sehatmandi network which is sustaining HIV, TB and malaria and COVID-19 interventions in Afghanistan.

We would like to emphasize the importance of effective implementation of C19RM to support countries mitigate the impact of the COVID-19 pandemic on HIV, TB and malaria services. As the Global Fund continues this support, it should take into consideration the priorities identified by country governments, CCMs and communities, and help them get back on track towards 2030 goals of ending HIV, TB and Malaria.

Global Disease Split and eligibility

The EMR Constituency is very much concerned with increased TB death after COVID-19 pandemic, and we think the amendment made to the proposed Global Disease Split by the secretariat is the best option at the moment for this problem. We emphasize on the principles of high burden high impact and suggest focusing on domestic resource mobilization, keeping the co-financing promises and appropriate funding applications from high TB burden countries. According to WHO's latest Global Tuberculosis Report the global target for fully funding the TB response of US\$ 13 billion annually by 2022 is beyond GF capacities, however we hope the next replenishments could mobilize a lot more resources to alleviate the burden. Thus, the current GF focus should be on raising domestic resources, maximizing efficiency across TB portfolio, utilizing innovative solutions and working closely with international partners such as WHO.

Address : Simaye Iran St., Phase 5, Shahrake Qods, Tehran 14665 – I. R. Iran

Tel: (+98-21) 88363714

www.emrctgf.org

Fax: (+98-21) 88363715



The Secretariat for Eastern Mediterranean Constituency
of The Board of The Global Fund To Fight AIDS, TB and Malaria

We would like also to encourage revisiting eligibility criteria and transition plans in the context of global economic landscape and political turmoil especially within Eastern Mediterranean Region. We think that the use of GNI per Capita can remain a relevant indicator but with the proposal that HIV incidence trend could be considered as an additional criterion.

Risk Appetite and Risk Management Report

EMR Constituency supports the increases in risk appetite proposed to the Board realizing that these modifications are necessary for continuity of the work especially in the highly challenging operating environments.

We appreciate the Global Fund secretariat for their constant monitoring and managing the risks across the portfolios and we would be pleased if the board is also engaged in a timely and proper manner, especially considering the political and contextual aspects.

Strategy Narrative

We would like to congratulate the Secretariat on the preparation of the new Strategy Narrative out of a comprehensive participatory process. We should focus now on translating it to implementation, for which we need more clarity on the mechanisms of GF engagement for enhancing Pandemic Preparedness and Response, strengthening RSSH and attaining Universal Health Coverage.

The EMR Constituency emphasizes on more consistently shifting the RSSH investments from supporting to really strengthening and sustaining health systems, by providing greater conceptual clarity, developing a Theory of Change, and an accompanying Performance Framework that lays out the rationale for Global Fund RSSH investments. RSSH contribution should support health transformation plan in countries in line with universal health coverage goals.

We agree with LAC and SEA Constituencies on the importance of multi-country and cross border issues, including mobility and migration, as well as on the need to identify how to strengthen the services in these areas. We urge the Global Fund to continue financing multi-country and sub-regional grants especially where the local governments may have not enough capacity.

We also support Point 7 in enhancing HIV prevention and addressing the needs of key populations especially in EM and EECA Regions where HIV incidence is increasing in contrary to other regions.

We support Developed Countries' NGOs Constituency's comment that strengthening of regulatory systems of implementing countries should remain in remit of WHO and not taken up by the private sector.

Address : Simaye Iran St., Phase 5, Shahrake Qods, Tehran 14665 – I. R. Iran

Tel: (+98-21) 88363714

www.emrctgf.org

Fax: (+98-21) 88363715



The Secretariat for Eastern Mediterranean Constituency
of The Board of The Global Fund To Fight AIDS, TB and Malaria

OPEX Evolution Budget 2022

The EMR Constituency support priority focuses on delivering the final components of the People Strategy, including continuation of work to leverage diversity and embed an inclusive culture of collaboration, trust and adaptability as well as alignment of strategic capabilities to the new Strategy and strengthening organizational agility.

We would like to encourage further follow up by the secretariat in this regard to ensure continuity of support all across the GF portfolio.

It is also critical for the Secretariat to consider the negative effects of short and medium economic impact of COVID-19 on most implementer countries and ensure realistic targets are set on domestic resource mobilization, transition and sustainability.

Independent Evaluation Function

EMR Constituency highly appreciates the new model for the independent evaluation function especially with Strategic evaluations and Country program evaluations which assess progress of the entire or specific area of the national disease programs against results achieved.

We would like to emphasize on translating evaluation reports by OIG, TERG and others into practice through the new model. We also support 360 degrees evaluations at all levels of the global fund partnership from communities up to CCMs, secretariat and the board.

Update on Resource Mobilization and the Seventh Replenishment Action Plan

EMR Constituency welcome the preparations for the Seventh Replenishment and would be optimistic about it considering international consensus for enhancing health security. We also welcome the Global Fund's intention to present a strong narrative in its investment case on achieving the different GF strategy objectives. We expect the Investment Case to highlight the potential synergies with other international partners in overcoming the SDG 3 gaps.

Address : Simaye Iran St., Phase 5, Shahrake Qods, Tehran 14665 – I. R. Iran

Tel: (+98-21) 88363714

www.emrctgf.org

Fax: (+98-21) 88363715



46th Board Meeting - French constituency statement

Introduction

As key decisions on the Global Fund's new strategy will be made in the coming days, we would like to thank all stakeholders for their commitment to this ambitious process, including of course the Global Fund Secretariat teams who are working hard to meet the challenging deadlines they face in a particularly difficult environment.

The current discussions are important opportunities to thoroughly rethink the means at our disposal for eradicating the three pandemics of HIV/AIDS, tuberculosis and malaria by 2030. Twenty years after the creation of the Global Fund, and as we are about to renew our political and financial ambition to achieve that goal, we call on the Secretariat and all constituencies to give the qualitative considerations of our action their full importance, alongside the financial issues. Defining a new strategy will require clear and transparent operational roll-out of the tools and levers used to achieve our objectives. The accountability of the Global Fund and the effectiveness of our commitment depend on it.

GDS and allocation methodology: a holistic approach is needed

Donors and stakeholders involved in implementation now recognize the need for a greater focus on TB control. Both cyclical and structural challenges in the fight against Covid-19 have contributed to a resurgence in TB deaths for the first time in 15 years. This warning concerns us all. In that regard, the Secretariat's proposal to revise the Global Disease Split seems relevant, in our view, in terms of responding to this major challenge: more resources will be allocated to tuberculosis while taking into account the consequences that such a reallocation will have on vulnerable countries, particularly in sub-Saharan Africa.

The 46th Board of Directors invites us to collectively reflect on what we can do today to deliver an appropriate financial response to the extremely worrying tuberculosis situation. However, this way of doing things appears, in our view, to reveal two overlooked aspects that must be addressed at all costs, in the interest of coherence and effectiveness:

- (1) **The first overlooked aspect relates to improving the quality of tuberculosis interventions:** the question of how the funding is split among the three diseases and the underlying financial considerations tend to divert our attention away from the programmatic level. Reallocation, in the absence of in-depth programmatic changes, will not enable us to achieve the 2030 targets. We can do more, but we must also do better. We therefore ask the Secretariat to provide a roadmap, as a complement to the GDS, on how qualitative improvements will be integrated into the next funding round, based on lessons learned at the country level and on the ambitions set out in the narrative. We concur with the analysis of African constituencies regarding the increase in TB mortality,



46th Board Meeting - French constituency statement

including costs and gaps in diagnostics, as well as the need to assess how TB grants are implemented in order to determine the scope for improvement.

- (2) **The second overlooked aspect relates to methodology:** discussions are currently compartmentalized, with the Secretariat dealing separately with interdependent levers such as the GDS, allocation methodology, eligibility criteria and catalytic investments, among other things. Implementing the ambitions of the strategy requires holistic thinking about how each of the Global Fund's intervention tools can serve the strategic priorities. We therefore call for an independent evaluation of the GF's approach to resource allocation in 2023 in order to inform future thinking ahead of the 2025 replenishment, and with a view to updating or even revising the allocation methodology. The assessment will be used to determine whether the allocation method, and in particular the GDS, is still an appropriate mechanism for distributing funds given the needs of key populations and countries, as well as whether it allows for designing people-centered programmes in line with the ambitions of the new strategy.

We are sensitive to the concerns of African constituencies in this regard and will be especially supportive of the priorities of sub-Saharan African countries in the arbitration of other decision points related to the allocation methodology, including the themes to be identified for catalytic initiatives.

Strategy: the narrative sets relevant objectives, but still lacks expected elements related to the means, i.e., the roadmap on operational implementation

A strategy is a document that outlines objectives and means. Along with other constituencies, we have repeatedly reaffirmed the need to include with the strategic narrative (a relevant presentation of our objectives, which our constituency can support) a document that addresses operationalization. At the last Strategy Committee meeting, France indicated that a vote in favor of the strategy was only possible in the presence of a **complete** presentation combining **objectives** (which the narrative does) **and means**, or at least an action plan presenting the method to be used to define the means. As it stands, the proposed decision point focuses on only one part of this presentation, the narrative, without sufficient information on the means.

Such a roadmap, to be presented at the next Strategy Committee meeting, is necessary to continue our work on key performance indicators and the allocation methodology. This request is in line with the one expressed above concerning the need to identify operational levers for improving tuberculosis interventions. For each priority, the narrative proposes specific focus areas (for example, for the "detect and treat" approaches, the document mentions community monitoring and digital technologies for therapeutic compliance, among other things). As with HSS, transition issues or market shaping, the way in which these approaches and priorities will be integrated into the grant cycle and the activities of the Secretariat's technical departments is not addressed. How then, will the GF ensure these strategies are operationalized? Through using the method for analyzing requests for funding? In the choice of priorities for catalytic investments? By funding dedicated technical assistance?



46th Board Meeting - French constituency statement

Risk matrix: putting country needs and feedback from the field at the heart of our concerns

In an environment where risks have increased and multiplied, we must adapt and find a new way of operating that is agile – to enable us to achieve our objectives– and responsible, in order to meet the requirements of effectiveness, efficiency and safety that we have set for ourselves.

To find this *modus operandi*, the risks must be mapped and assessed methodically and objectively. But that alone is not sufficient. To avoid the pitfalls of an exercise that is not connected to the reality on the ground, we must also learn by doing and by involving all of our partners, first and foremost the countries we are assisting. But how can we properly assess the exposure to risks and their potential impacts when their cause is located on the other side of the world? A local, inclusive approach and practical knowledge of the situations are crucial in terms of ensuring that risk management is not used in a speculative way, which could amplify the risks.

Risk management must also be combined with transparent, granular and verified information on the risk levels and potential impacts, as well as possible mitigation measures and their effectiveness.

Ultimately, the adjustments we make in terms of risk must serve as levers to support and implement the strategic changes we have decided to make. As such, France is not in favor of the Audit and Finance Committee having exclusive responsibility for risk and would like this matter to continue to be jointly steered by the Strategy Committee and the Audit and Finance Committee.

Seventh replenishment of resources: new strategy communication and persuasion

France wishes the future host country of the 7th replenishment every success and is prepared to share with that nation its experience as host country of the 6th replenishment.

The upcoming 7th replenishment will provide a unique opportunity to communicate our new strategy via the investment argument which, in a competitive context of calls for donations linked to the health crisis, will be able to rely on an operational presentation of our new strategic orientations that is punchy, readable and credible. For this replenishment, more so than any other, greater involvement on the part of the Board of Directors would be useful.



DECLARATION FRANÇAISE SUR LE « GLOBAL DISEASE SPLIT »

La France soutient le point de décision sur la nouvelle répartition globale par maladie pour dégager davantage de ressources dédiées à la lutte contre tuberculose en ménageant les conséquences négatives que cette réallocation pourrait entraîner sur les pays vulnérables, en particulier en Afrique subsaharienne. Nous souhaitons toutefois émettre deux commentaires, qui étayeront notre position dans la suite des discussions, notamment au prochain comité de la stratégie :

Nous restons attachés au mandat initial des fonds catalytiques

Nous rappelons que les investissements à effet catalyseur ont pour objectif **d'optimiser l'impact**. Ces fonds sont disponibles pour des **priorités ne pouvant être prises en charge uniquement au travers des subventions allouées aux pays**. Ces financements réservés pour accélérer les progrès de la lutte contre les trois maladies sont cruciaux dans des domaines clés du mandat du Fonds mondial, comme **la défense des droits humains, l'intégration des populations clés et vulnérables, le renforcement des systèmes de santé**.

Compte tenu de la faible intégration de ces composantes dans les allocations-pays, nous ne pouvons pas détourner les fonds catalytiques de ces problématiques pour les utiliser comme voie de financement supplémentaire pour la tuberculose. **Les investissements supplémentaires dédiés à la lutte contre la tuberculose financés par les fonds catalytiques devront donc être par essence transversaux ou répondre à des lacunes au niveau programmatique**, comme par exemple l'identification des cas manquants par le biais de la recherche active des cas, l'intégration des programmes VIH/tuberculose, la généralisation de l'approche en faveur du traitement prophylactique....

L'opportunité nous est donnée de travailler sur le volet qualitatif : la crise sanitaire a exacerbée les inégalités dans la lutte contre les trois pandémies et l'occasion nous est donnée de rattraper le retard pris dans l'atteinte de nos objectifs : il nous faut la saisir et **l'attention qui est aujourd'hui portée sur les fonds catalytiques doit s'inscrire dans cette attention à l'impact**, à la recherche de l'amélioration qualitative des programmes.

Enfin, sensibles aux préoccupations des circonscriptions africaines, nous soutiendrons particulièrement les priorités des pays d'Afrique subsaharienne dans l'identification des thématiques pour les initiatives catalytiques.

Au-delà des fonds catalytiques, la recherche d'impact doit demeurer au cœur de notre réflexion sur le prochain cycle d'allocation

Nous mobilisons aujourd'hui des financements additionnels pour la tuberculose via notamment la hausse du seuil (12 milliards de dollars) au-dessus duquel le GDS change. Mais au niveau même du cycle de financement classique, nous devons œuvrer à l'amélioration des programmes sur la tuberculose.



En lien avec la réflexion opérationnelle qui est aujourd'hui attendue par le Conseil d'administration, il nous faut identifier les **leviers concrets pour concrétiser ces changements qualitatifs** en nous interrogeons sur les actions à mener, par exemple:

- Les *guidance notes* du TRP doivent-elles être modifiées ?
- Est-il nécessaire de mobiliser davantage d'assistance technique pour appuyer les pays dans la conception des programmes TB (dont les niveaux d'absorption sont d'ailleurs moins bons que pour les programmes VIH et paludisme) ?

Dans le cadre du document supplémentaire que le secrétariat s'est engagé à produire hier, lors du vote sur la stratégie, **ces questions devront trouver réponse**, afin de garantir l'opérationnalisation de cette ambition renforcée au profit de la lutte contre la tuberculose.



ADDITIONAL PAPER TO THE FRENCH STATEMENT FOR THE 46TH BOARD MEETING

France supports the decision point on the new global distribution by disease. More resources will be allocated to tuberculosis while taking into account the consequences that this reallocation has on vulnerable countries, particularly in sub-Saharan Africa. However, we would like to make two comments that will inform our position in further discussions, including the next strategy committee:

We remain committed to the initial mandate of the catalytic funds

We recall that the objective of catalytic investments is to maximize impact. These funds are available for priorities that cannot be addressed solely through country allocations but are nonetheless critical to accelerating progress in the fight against the three diseases, such as defending human rights, integrating key and vulnerable populations, and strengthening health systems.

Given the weak integration of these components into country allocations, we cannot divert catalytic funds away from these issues and use them as an additional funding stream for TB. TB initiatives to be financed by catalytic funds will therefore need to be cross-cutting or address programmatic gaps, such as identifying missing cases through active case finding, integrating HIV/TB programs, scaling up the approach to prophylaxis, etc.

We have been given the opportunity to work on the qualitative aspect: we must seize it and the attention that is now being paid to catalytic funds must be part of this attention to impact, of this search for qualitative improvement of programs.

Finally, sensitive to the concerns of African constituencies, we will particularly support the priorities of Sub-Saharan African countries in the arbitration of the themes that will be identified for the catalytic initiatives.

Beyond catalytic funds, the search for impact must also be at the heart of our thinking on the allocation cycle

We are now mobilizing additional funding for TB via the \$12 billion threshold above which the GDS changes. But within the traditional funding cycle, we can work to improve TB programs.

In connection with the operational reflection that is now expected by the Board, we need to identify concrete levers to bring about these qualitative changes: should the TRP guidance notes be modified? Is it necessary to mobilize more technical assistance to support countries in the design of TB programs (whose absorption levels are less good than for HIV and malaria programs)? These questions will need to be answered in the reflexion on implementation that the Secretariat committed to lead yesterday during the vote on the strategy, to ensure that this increased ambition for TB is a reality.

Germany Constituency Statement

46th Board Meeting of the Global Fund to Fight AIDS, Tuberculosis and Malaria

This Board Meeting will again focus on the **Global Fund's next strategy** that will lead the partnership towards 2030 after the drastic setbacks of the COVID-19 pandemic. **Germany strongly supports the strategy narrative** and congratulates all parties involved in moving the strategy process to this stage. It is now time to look ahead to **how we will implement this strategy**. The document provided by the Secretariat on the next steps on implementation (GF/B46/21) does not yet provide a comprehensive look at **how the changes that this new ambitious strategy implies** will be reflected in the Global Fund's Business Model and translated throughout the **funding cycle**. As pointed out in the Report of the Executive Director, for many areas the scope of implementation still needs to be clarified (such as Climate Sensitive/One Health approaches, moving to people-centred approaches and the concrete activities of the Fund in Pandemic Preparedness and Response). We therefore reiterate the **need for such a document to be presented to the Board as soon as possible and at the latest before the SC Meeting in March 2022**. The paper should also include the areas of collaboration with other Global Health Actors. The Board Leadership announced that the Executive Director would elaborate on the Global Fund's progress and contribution to the **SDG 3 Global Action Plan (GAP)**, however, the latest version of the report does not provide any information on this topic. We would appreciate if this update could be added.

While we support the proposed update of the Risk Appetite, we would also be interested in the assessment of the Risk Officer regarding the need for possible further adaptations to the **Risk Appetite Framework** in light of the changes implied by the new strategy. In addition, we would be interested to better understand why the human rights and gender inequality risk remains unchanged (High). In his report, the Executive Director reiterates the rise in **human rights and gender related barriers** due to COVID-19. The Risk report also shows that there are delays in the mitigation actions in this regard. An update on how the Secretariat approaches these challenges would be appreciated.

Germany has been and remains supportive of the **Global Fund's response to COVID-19 including its additional financial contributions to the C19RM of 290 million Euros**. The recognition of the knock-on impact of the pandemic, the focus on non-vaccine elements and further promotion of health system strengthening are key to ensuring a comprehensive global approach. It is apparent that, with the C19RM being a major financing mechanism within ACT-A, the implementation of the extended ACT-A strategy calls for a **continuation of the C19RM**. For this, **solid M&E structures** with thorough implementation and impact assessments are the precondition. As resources are scarce, we need to **ensure the best possible use of funds** and also be mindful of staff capacities.

The main focus of our pre-Board discussions with other constituencies has undoubtedly been on the **Global Disease Split (GDS)**. The difficulties on finding consensus on this issue reflect not only the historic divide on the allocation of resources, but might also be due to continuing **work in a virtual environment that curtails informal exchanges and slows communication**. We still need to improve our ways of working and hope that we will soon be able to return to - at least partially - to in-person meetings.

With this in mind, the implementation of the next strategy is highly dependent on how resources are allocated and used in an effective manner. We therefore join other constituencies in expressing our concern with the current separate **discussion on the GDS**.

This discussion lacks a **needs-based country-level assessment** and does not take policy and programmatic levers into account. In our view, the GDS is an instrument that **does not necessarily lend itself to adequately responding to the ambition of the new strategy which is to overcome disease siloes and become more people centered**. However, we agree that the partnership needs to ensure a **stronger commitment for mobilizing additional resources for TB in the next cycle**. **We also strongly support the request that the current allocation model of the GF in general will be externally reviewed in due time** to define a new, more flexible allocation method before the 8th replenishment. We welcome the different proposals presented by other constituencies in this regard.

In this context we would also like to reiterate that any future review that is commissioned by the new **Independent Evaluation Function** needs to be conducted independently from the Secretariat. While we agree that day to day operations can be taken over by the Evaluation Unit in the new model, it needs to be ensured that the findings and recommendations are not biased in any way. The principle of independence needs to be firmly rooted in the Standard Operating Procedures (SOP) still to be drafted.

Translating the ambitious new strategy into reality and addressing the set-back caused by the Covid-19 pandemic, first and foremost depends on a successful **7th replenishment** in the fall of 2022. Therefore, we welcome the Global Fund's intention to present a **strong narrative** in its **investment case** on achieving the different strategy objectives. It will be important to highlight the "how" and also **what will be different** in the coming six years. In particular, we look forward to a clear outline on how the Global Fund will contribute to the achievement of the broader goals for health, including resilient and sustainable systems for health and pandemic preparedness and response, as well as the broader SDG roadmap. We expect the Investment Case to not only illustrate the comparative advantages of the Fund but also its **complementary role within the Global Health Architecture** and potential synergies in the SDG 3 GAP context. Germany stands ready as a partner in the context of its G7 Presidency next year.

###

LAC CONSTITUENCY STATEMENT – 46TH GLOBAL FUND BOARD MEETING

Global Fund Strategy Narrative 2023-2025:

LAC Constituency highly appreciates the excellent work done by the GFS Team in trying to incorporate and conciliate all constituencies comments to refine the Strategic Narrative paper, as well as providing timely and detailed feedback during the Strategy Development process. We believe the structure and language of the narrative are considerably improved and we particularly welcome the Strategy Committee recommendation to the Board with some final revisions based on constituencies input as presented in GF/B46/03 - Annex 1.

Now, we are keen to move to the next stage, the “how to” or implementation aspects, and to focus our attention on working through the changes that will be required, at several levels, to implement the ambitious new strategy. As already stated by UK, there is a need to move the discussion to operationalization of the strategy as soon as possible, with a focus on what will look and acted upon differently to deliver on its outputs and expected impact. At this stage, following Germany Constituency proposal, we need to address how the changes that this new ambitious strategy implies will be reflected in the Global Fund’s Business Model and translated throughout the funding cycle, as well as in the investment case for the replenishment so as to be attractive and supported.

On October 19th, LAC Constituency conducted a focus group debate with key stakeholders on the three diseases to share the progresses achieved in the development of the 2023-2028 Global Fund Strategy and to identify some specific recommendations to contribute to the implementation of the strategy, in order to sustain disease elimination achievements in LAC taking into account that the primary goal of the Global Fund is “save lives and **end AIDS, TB and malaria**”, as well as the lessons learnt from and the impact of COVID-19.

- **Grant Business Model Evolution.** Based on the proved assumption that there is no “one size fits all” principle, the **Grant business model should be tailored to country needs.** In the same way, the Grant alignment with National Strategic Plans and coordination with the national authorities, local partners, communities and affected populations are essential Board Policy requirements to ensure financial, programmatic and institutional sustainability.
- **Leverage on the lessons learned from the C19RM’s grants agility and flexibility to design, review and approve proposals, always strengthening M&E and risk management with partners at country level.** The grant design processes and management models should be more flexible, participative and simplified with strengthened accountability and M&E. Strengthening in-country M&E capacity implies not only monitor grant-related performance but also systematically evaluate the Value for Money of GF investments and effective outcomes at country level through CCM evolution and country-led independent evaluation besides existing oversight function of CCM, which is an essential component of RSSH and sustainability. In that sense, TGF should consider better articulating with partners at local level to ensure aid alignment, efficiency, and

effective and sustainable investments and results by ensuring complementarity, advocacy, accountability, quality and timely technical assistance and rapid reactions and adaptations to crisis and challenges.

- **Grant governance perspective.** The GF should broaden its understanding of the political scenario and realities at Country, Regional and Sub Regional, and local level. The GF portfolio managers should be trained to improve their knowledge of the political realities and scenarios of the implementers countries and reach out to key stakeholders at country level, potentiating their technical and financial approaches. As part of CCMs Evolution and Strengthening process, this grant governance body should be gradually integrated into national coordination mechanisms or their equivalent at country and subregional level. Given that financial resources should respond to country needs, the collegial articulation and fluid communication among CCMs, PRs and Grant portfolio managers are crucial to ensure the institutionalization and sustainability of the agreements.
- **Country- driven people-centered approach.** There is a need to improve articulation between civil society and governmental actors, through the implementation of innovative sustainability strategies to institutionalize civil society actions with concrete financial support coming from national sources of funding, such as, diverting national lottery funds to support CSOs in Costa Rica; and allocating a percentage of air ticket fares to CSOs in Panama. Cross cutting issues related to RHSS (laboratory, diagnostics, contact tracing, prevention, supply chain, and others) should be integrated with a PHC approach closer to the people and at point of care, incorporating innovative ways and technologies.
- **Protect multi-country Grants and Sub-regional proposals.** The Region has a historical integration process and established mechanisms and experience working together, and they share common cultural, geographical and epidemiological profiles, leadership and political and economic institutions, and high migration flows especially in cross- border areas. Multi-country Grants take advantages of their added value, complementarity, and articulation to contribute to the attainment of disease elimination in LAC Region. We agree with SEA Constituency on the inclusion of multi-country and cross border issues, including mobility and migration, as well as on the need to identify how to strengthen the services in these areas. We urge the Global Fund to continue financing multi-country grants. We also agree with UK on the identified need to ensure that decisions on the allocation of available resources across the three diseases and across countries, as well as the tools used to support these decisions, are based on a longer- term strategic approach to funding the three diseases to reach our goal for 2030 in a sustainable way. The Disease Elimination should not be considered the end of financial and/or technical support, it is just the beginning of a new stage to retain and sustain the achievements.

Allocation Update and Global Disease Split:

As previously mentioned, the implementation of the next strategy is highly dependent on the “how to” or implementation aspects as well as the way the resources will be allocated and used in an effective manner. We therefore join other constituencies in expressing our concern with the current separate discussion on the GDS.

LAC strongly supports that financial resources should be increased for TB, since the share of tuberculosis deaths (excl. TB/HIV deaths) among total deaths has increased and TB accounts for the largest number of deaths. Furthermore, TB burden is concentrated in middle-income countries. However, we need to analyze the drivers of TB morbidity and mortality to address them properly. On HIV, the GDS presentation highlights a significant share of HIV deaths occurring in upper-middle income countries. This finding is crucial since the resources have been limited in the LAC Region in the last year due to the pandemic impact. Consequently, the severe impact on the HIV funding landscape in the LAC region will negatively affect the ability to sustain achievements and reach the goals as set up globally by 2030.

As we have already stated, GDS is not just a matter of projections and distribution of financial resources; other relevant issues should be considered, such as: country absorption capacity, performance evaluation, Value for Money, economic and epidemiological impact of COVID-19. Therefore, a global formulation will not necessarily be applicable to the situation in every Region and country. TGF needs to protect and continue the progress on HIV and Malaria as well as sustaining the health systems investments, to regain from the losses due to COVID-19 and meet the established goals. The Region of the Americas remains heavily affected by the COVID-19 pandemic, therefore decisions related to GDS should also consider countries’ context and improvements in program performance as part of a differentiated country-specific approach to allocating investments according to their needs.

With regards the GDS option subject to Board approval, we acknowledge the Secretariat’s great effort to design an option that intends to protect HIV and malaria programs from large decreases compared with the 2020- 2022 allocation period, while driving additional resources towards TB at certain funding levels.

However, we should review the allocation of resources in a holistic way and have a more transparent discussion and modelling using the combination of catalytic funds, strategic initiatives, multi-country grants, portfolio optimization, and quality unfunded demand as means to address specific high value for money investments in reducing TB and TB/HIV incidence and mortality without impacting negatively on HIV and Malaria. In that sense, we urge to develop a very strong message in the investment case, in such a particularly challenging scenario for the coming replenishment, to draw attention of donors to buy into TB but not at the expense of HIV and Malaria programming. Considering TGF remains the largest international funder for TB and malaria, there is a need to agree on a minimum level of the overall allocation for TB to pull the negotiation during the replenishment especially for each dollar above \$11 billion, without compromising HIV and malaria programs. At the same time, we need to identify new TB resources, allocated from a mixture of sources.

Finally, we reiterate our previous message about the opportunity to take stock of the lessons learnt through the C19RM mechanism, as regards data availability and coordination with partners, and look at what can be translated in the GF business model.

Eligibility Policy Review

LAC is the most unequal Region at Global level in terms of income distribution, with a high level of wealth concentration and 20-60 % of the population under the poverty line. Under existing policy parameters there are countries (components) that are not currently eligible and should be eligible. During the LAC Constituency Focus Group Debate held on October 19, 2021, there was a common agreement on the issue that the policy should consider other additional qualitative and quantitative criteria (parameters and indicators) rather than only use the economic capacity (ability to pay) as a principle that continues to be the first determinant for eligibility. Several indicators were proposed, such as the review of TB mortality and disease burden considering demography, geography and population structure; and migrant populations situation; and define how to measure roles and impact results of CSOs interventions. The World Bank will have to review their qualifying factors, since a national income indicator does not always reflect the overall territory situation or measure internal inequities in middle-income countries, and we propose using allocation indicators such as the GINI index. It is crucial to consolidate universal and comprehensive social protection systems, including health policies based on a human right and intercultural and gender-sensitive approach, with mechanisms aimed at addressing the barriers and specific needs of different population groups. This is particularly critical for mobile and migrant populations and cross border activities. Furthermore, we urgently need to address false dichotomies; it is not either HIV/TB/Malaria or COVID-19 or UHC and PHC, it is all of them in an integrated response. The LAC Region is unique and pioneer in relation to elimination strategies for the three disease, but in the current COVID-19 pandemic scenario, the services have been affected and there is a negative impact on patients' contact and recruitment. This requires a relaunching, reinforcement and pushing forward the new GF strategy 2023-2025 to retake the pace to achieve the shared goals within the SDGs. Also important to note is that those countries that achieved elimination, as in malaria, will require in future the necessary funding support to sustain their gains, due to the negative impact from the COVID-19 pandemic on the programs and the situation in neighboring countries. Sustainability is not only about funding; it is also about political commitment. Until the response to the three diseases becomes a central component of the political agenda for the governments and is substantially represented in their health and public policies, as well as in their national budgets, we will not be sure about programmatic and financial sustainability for the three diseases response. The GF should strengthen actions for political incidence at the highest political level with national authorities to be able to secure the commitments and to translate them into State Public policies. Increased technical assistance to countries is essential to define criteria for carrying out responsible transition processes oriented to institutionalize the national financing, on an integrated approach and guaranteeing sustainability with a long-term view.

New model for Independent Evaluation Function:

LAC Constituency acknowledges the progress made on the proposed new Independent Evaluation Function. We welcome the engagement of country level stakeholders in this model. We would like to recommend that all evaluation reports delivered are made public in a timely manner to improve knowledge sharing, learning and good practices dissemination.

OPEX Evolution Budget and work plan for 2022:

LAC Constituency supports the approval of the OPEX budget. With regards to the reduction planned for travel to the tune of \$2.4M; we welcome the decision of reallocating a portion of these savings (\$1.8M) to the area of Office Infrastructure where IT costs are captured to increase efficiency under the current working environment across the world due to the pandemic. We note with satisfaction the GFS plan to reduce the amount allocated towards Individual Consultants by \$3.8M.

Adjustments to the risk appetite framework and Risk appetite management report:

LAC supports the decision point on the increased level of Risk Appetite on the basis of its temporary nature and support the timeframe shifts as a result of the impact the pandemic has had on these measures.



Point 7 – Constituency Statement

46th Board Meeting 2021

Board Meeting agenda

Point 7 welcomes the comprehensive agenda of the 46th Board Meeting of the Global Fund. We also wish to acknowledge the very effective organisation of continued virtual Board Meetings, which although necessitated by the ongoing COVID-19 pandemic, are helping to reduce the CO2 footprint of the GFATM. We recommend that lessons learned from this modality inform any plans for future in-face meetings of the Board and other GF governance structures.

This constituency approves the Corporate Work Plan and Operating Expenses Budget for 2022, acknowledging that the budget remains within the agreed 2020-2022 OPEX envelope.

Report of the Executive Director

Point 7 congratulates the Secretariat for progress achieved against the 2021 priorities, and extends its particular appreciation to the GF for so effectively managing the C19RM to support countries mitigate the impact of the COVID-19 pandemic on HIV, TB and malaria services.

Point 7 welcomes and is in broad agreement with the priorities set out for 2022 highlighting the following points:

- We greatly welcome the focus to get back on track in the fight against the three diseases to deliver on the GF's primary goal – especially for the most vulnerable, and the intention to further leverage the power of communities to reach those 'left behind'.
- We further welcome plans to strengthen the oversight of grant implementation.
- Point 7 expresses its zero tolerance for inaction on SEAH and welcomes the Operational Framework on PSEAH and Related Abuses of Power.
- We encourage early agreement on coherent messaging in preparation for the 7th Replenishment.

COVID-19 and Business Continuity, including C19RM

Point 7 very much appreciates the GF's ongoing four-pronged COVID-19 response. We wish once again to applaud the GF for stepping up and continuing to play a key role in the fight against the pandemic and in ameliorating its impact on efforts to address HIV, TB and malaria. We especially wish to acknowledge the important role it continues to play in the ACT-A and to commend it for being an instrumental global partner through the provision of non-vaccine support.

In view of the heightened risk levels necessitated by the need for more flexible and rapid responses in the context of the COVID-19 pandemic, Point 7 welcomes the OIG audit of the C19RM, and looks forward to seeing the report in due course. Meanwhile, in the interest of striking a balance between risk mitigation and maintaining quality programme delivery, this constituency supports the proposal to temporarily further increase the GF's risk appetite.

GF Strategy – M&E and KPI Framework Development

Point 7 wishes to thank the Secretariat and Strategy Committee (SC) for their tireless dedication and hard work in the development of the new Global Fund Strategy, especially in the face of the many challenges and unknowns posed by the evolving global COVID-19 pandemic. We extend our thanks also to all other Board Constituencies, for the very valuable and meaningful engagement and dialogue

throughout the strategy development process. Point 7 believes we now have a robust and jointly owned strategy, around which we can collectively galvanise our support and move forward to end the three diseases and advance progress towards the Sustainable Development Goals (SDGs).

This constituency however, wishes to emphasise that the successful implementation of the new GF Strategy relies on a robust Monitoring Framework designed to monitor and evaluate its progress in meeting the targets of Key Performance Indicators (KPIs), linked to the Strategy's objectives. We therefore welcome the planned consultative process aimed at developing such a framework and identifying KPIs and appropriate targets in the new Strategy. We draw the attention of the Board and the Secretariat to the following three areas, when developing KPIs and related targets:

1. Coordination

While welcoming the increased focus on greater cooperation and coordination with other global health actors, we wish to emphasise this within the context of the Global Action Plan. This requires that commitments to collaborative Partnerships (based on leveraging respective capacities) be explicitly described in the context of defined measurable outcomes, and the GF be accountable to the Board. Coordination at country level is critical and requires strengthening. We therefore welcome the OIG examination of donor coordination in country reviews.

2. HIV Prevention

The new strategy places a very welcome emphasis on the need for greater HIV prevention efforts, especially amongst Key Populations (KPs) and their partners, including adolescent girls and young women. The TERG HIV Prevention Review highlighted the lack of robust data on funding for HIV prevention, especially data on domestic funding. Point 7 therefore urges the Global Fund to ensure the availability of strong evidence to guide future funding allocations and to encourage implementing countries to meet the Global Prevention Coalition (GPC) target to spend 25% of HIV funding on primary prevention.

It is noted that current KPI targets related to Key Populations have not been met and have been badly affected by COVID-19. Point 7 strongly urges the GF to support efforts to prioritise HIV prevention in National Strategic Plans (NSPs) and to purposefully stimulate more requests/grants for primary prevention support, including by strengthening Technical Assistance for primary prevention.

3. Climate Change

Point 7 has previously highlighted the negative impact of climate change and other environmental issues on the GFs ability to achieve its Goal, and conversely the potential risks posed by GF programmes to climate and the environment. This constituency urges the GF to develop an M&E Framework and KPIs that can track progress in reducing these risks, mitigate the negative impact of GF investments and help achieve climate/environmental co-benefits such as climate adaptation.

Furthermore, this constituency urges the GF to develop a comprehensive environmental management approach including specific environmental/climate targets and KPIs along with mitigation and climate adaptation plans in the areas where the GF impacts most on the climate and the environment. This would address several of the findings from the MOPAN review from 2015-2016, which scored the GF's corporate/sectoral and country strategies as "highly unsatisfactory" in terms of responding to and/or reflecting environmental sustainability and climate change.

Eligibility and Allocation

Point 7 thanks the Secretariat for the timely detailed review of the existing Eligibility Policy, Allocation Methodology, and Catalytic Investment Priorities, to ensure allocation decisions for the 2023-2025 period are agreed by the end of 2022. Our specific comments:

1. Eligibility Policy

- Point 7 does not see a need for a radical change to the Policy at this time and supports the continued prioritisation of LICs and LMICs.
- While we do not wish to see the OECD DAC Criteria for HIV or the G20 Rule changed, we are supportive of the proposal to extend the Small Island Economy exception to the new IDA definition. We also believe that the existing approach to supporting specific crisis in non-eligible countries remains valid and should not be changed.
- We urge continued close monitoring of transition criteria and issues, in view of the impact of the COVID-19 pandemic.

2. Eligibility and Allocation joint areas for review

- Point 7 agrees that the use of GNI per Capita remains a relevant indicator and also with the proposal that HIV incidence be considered as an additional criteria, together with overall disease burden and economic indicators.

3. Catalytic Investments

In view of the analysis in the Eligibility and Allocation Review presented at the 17th SC, Point 7 strongly supports the continuation of catalytic investments and the proposed catalytic investment prioritisation criteria for 2023-2025 and the continuation of the three existing modalities.

Progress Report of the OIG

Point 7 thanks the Office of the Inspector General for this report and has a number of comments and questions in relation to this as follows:

1. Point 7 appreciates the GF ambition to enhance Domestic Financing for Health (DFH) and in this regard urges the timely development/implementation of an approach to leverage critical civil society support in advocating for DHF.
2. In view of the increased risk of opportunistic fraud we also urge the GF to resume and extend in-country monitoring, and we also note and welcome the OIG work plan inclusion of increased country audits.
3. This constituency thanks the OIG for developing its new strategy 2022-2027, and we welcome engagement with the Supreme Audit Institutions at country level. However, we are concerned that in 2021 investigators had to rely on third parties to obtain required documentation and data. We therefore ask the GF what assurances they can offer regarding the closure of ongoing cases and for information on challenges to close earlier cases? We are also concerned that the use of fraud awareness initiatives such as ispeakoutnow.org platform and virtual webinars may be insufficient to interrupt or report wrongdoing and we ask if the GF has plans to assess the impact of these mechanisms?

Governance

Point 7 welcomes the Coordinating Group's focus on the importance of maintaining effective oversight of C19RM and the response to COVID-19. We also convey our support for a longer term of Board Leadership, to facilitate greater continuity through a planned mentorship/hand-over period for incoming representatives. Lastly, we take this opportunity to highlight the need for an increased focus on governance effectiveness should the Global Fund 7th Replenishment target be achieved.

Independent Evaluation Function

The proposed new model for independent evaluation function is welcomed by this constituency and we urge a more strategic and selective approach in determining future evaluation priorities. In this regard we welcome the planned 2023 OIG review, which will assess the adequacy and effectiveness of the Evaluation Function and the IEP, with a particular focus on measures to safeguard independence.

Update on Resource Mobilisation and the 7th Replenishment Action Plan

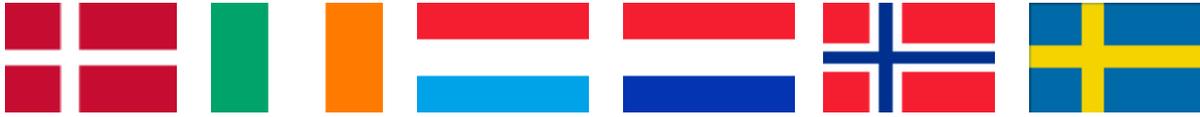
Point 7 welcomes the Action Plan for the 7th Replenishment, which focusses on key priorities, and we recommend that lessons learned in the 6th replenishment process inform the finalisation of this Plan. We ask that the findings of the MOPAN Assessment, currently underway, are also taken into account.

The Global Health landscape has changed significantly, since the 6th replenishment, in the wake of the COVID-19 pandemic. The GF has admirably adapted to this altered landscape with the establishment of C19RM and the inclusion of Pandemic Preparedness and Response (PPR) as an evolving objective within the next GF strategy, whose primary goal remains ending the epidemics of HIV/AIDS, TB and malaria. The COVID-19 pandemic has also significantly increased pressure on Official Development Assistance (ODA) and Development Assistance for Health (DAH) budgets as well as domestic resources. These changes are all likely to impact the 7th Replenishment, but we urge the GF to adopt an approach to fundraising that enhances coordination and alignment in addressing HTM, UHC and SDG3, rather than fragmentation through competition.

In view of these challenges this constituency has a number of questions related to the 7th Replenishment plan, as follows:

- What is a realistic funding target and will the GF propose a few different replenishment outcomes/scenarios?
- The Action Plan refers to the launch of the Results Report and the upcoming GF Strategy to position the GF 'as a critical player in global health and PPR'. In view of this, Point 7 asks for further elaboration of the related Investment Case and campaign, and how it will address the primary goal of ending HTM.
- Will funding for 2 separate streams – regular work and COVID-19 – continue in the replenishment campaign?
- The Resource Mobilisation Update indicates concerns about the limited engagement of implementing countries and communities in COVID-19 resource allocation decisions. Can the GF elaborate on efforts to address this issue ?

Finally, Point 7 stands ready to support the mobilisation campaign and asks that the Board be updated on the process for selecting the host country for the 7th Replenishment Launch.



Point 7 – Constituency Statement

Global Disease Split 2021

The Point 7 constituency would like to acknowledge the thorough work and analysis that has carried out to-date on the important issue of the Global Disease Split. The review is a critically important step to address the specific challenges with reversed progress on TB. Like many constituencies, we express our deep concern with the displacement effects that the COVID-19 pandemic has had on the fight against TB.

We recognise that all three diseases have significant resource needs and therefore express appreciation for the careful considerations made by the Secretariat and Strategy Committee.

While we are happy that the revised Decision Point aims to safeguard financing and investments already made in LICs and for HIV/AIDS and malaria, and strike a balance and consensus among the Board constituencies, we feel the increase in the threshold undermines the necessity to address high TB mortality rates.

Therefore, Point 7 will reluctantly support the revised Decision Point in recognition of the additional proposed measures to increase the scale, quality and impact of TB funding.

We would also like to stress the importance of increased domestic financing for tuberculosis, especially in middle-income countries. The Global Fund is a major financer of TB programs across the world and need to ensure those investments are national priorities is urgent. It is also critically important to invest in other innovative approaches to address TB including catalytic funding, increasing synergies with HIV, improved integrated diagnostic and health platforms, portfolio optimisation, and strengthening TB community participation in CCMs etc.

Private Sector Constituency Input

46th Global Fund Board Meeting, 3, 4, 8-10 November 2021

I. 2022 Work Plan and Operating Expenses Budget (GF/B46/02 Part A and Part B)

The Private Sector acknowledges the challenges facing the Secretariat in 2022 in accelerating delivery of core programs during the critical second year of grant implementation in a COVID-19 context, while preparing for implementation of the next Global Fund Strategy and working to deliver a successful 7th Replenishment. As we approach the 2022 Replenishment in the context of the economic impact of COVID-19, the Global Fund's diligent commitment to efficiency in its own operations is an important part of its brand story and value proposition.

The Private Sector supports the proposed 2022 Work Plan and OPEX Budget. We would like to better understand the interplay of OPEX funds, and the funding generated through C19RM for operational expenses and infrastructure. We note in the budget document that "management cost (3% of additional pledges) related to C19RM, are not included in the analysis"; further detail would be appreciated on what synergies, if any, are anticipated between core OPEX and C19RM OPEX. We also would like to confirm our understanding that costs related to formation of the new independent evaluation function (e.g. hiring of CELO and the Evaluation Unit, budget for the evaluations, budget for the IEP) are captured within the Office of the Executive Director line item of the OPEX budget, and that these costs will be fully offset in future years by the removal of the TERG budget.

The Private Sector reiterates its previously expressed concern that the Board has not yet had the opportunity to review a strategic human resources workplan articulating how the Fund's human resources capabilities are aligned with efficient execution of the Global Fund strategy. We would like to better understand the Secretariat's human resources organizational accountability framework used to measure and reward performance for delivery of impact. We also note that increases in headcount have not appeared to minimize concerns around staff health and workload and would like to further explore what this can tell us about staffing alignment with need. We look forward to discussing these topics following review of the strategic human resource workplan.

II. Strategy Narrative (GF/B46/03)

The Private Sector Constituency commends the Secretariat and the entire Global Fund partnership for the work that has gone into development of the Strategy Narrative. We appreciate the Secretariat's endeavors to capture the consensus that has emerged over the past year of consultations.

The Private Sector is supportive of the proposed Strategy Narrative. We welcome the changes and improvements made in the final document. We believe that the true value of this Strategy will be realized through its implementation, and we look forward to further discussion of the operationalization of this ambitious Strategy as the Secretariat develops its recommendations for next steps, including any new policies requiring Board approval, for example related to the expanded Global Fund role in PPR.

III. Global Disease Split for the 2023-2025 Allocation Methodology (GF/B46/04)

The Private Sector appreciates the analysis provided by the Secretariat on the proposed options for a revised Global Fund disease split for the 2023-2025 allocation. We acknowledge that there is a compelling need for a revised approach to address the growing burden of TB morbidity and mortality, especially given the disproportionate impact of the COVID-19 pandemic on TB programs. We also acknowledge the need for a strong political signal from the Global Fund that significant additional effort is needed to adequately address TB, and that increased and sustained political attention to TB is critical.

There is no simple solution to this challenge, as unmet needs remain across all three diseases and in all countries served by the Global Fund. We note that any discussion of changes to the allocation methodology, including the global disease split, is complicated by the reality that both HIV and malaria require predictable long-term funding, particularly given domestic resource constraints arising from COVID-19. HIV is a chronic disease requiring continuous lifelong treatment to avert avoidable morbidity and mortality and drug resistance. Reducing support for malaria risks a rebound in cases in many countries and put at risk efforts to eliminate the disease in other countries.

As we consider the options in front of the Board, the Private Sector underscores that in its next strategy period, the Global Fund must substantially increase impact against TB and develop a holistic and long-term response to the unmet burden of TB mortality and the catastrophic impact of COVID-19 on TB. We are concerned that the proposed changes to the global disease split are not particularly targeted to materially impact TB, given the role of the disease split in the broader allocation methodology and the ability of countries to choose to diverge from the indicative split that underpins their funding envelope, which we believe to be an important aspect of country ownership that should be maintained.

Regardless of the global disease split, the Board must receive a proposal for discussion at its next meeting on how additional policy levers can be used to accelerate impact for TB, immediately and in the next strategy period. A dedicated strategic initiative targeted to areas of greatest TB need may have more impact and accountability to reach the goals we all share in addressing TB mortality.

IV. Independent Evaluation Function (GF/B46/05)

The Private Sector Constituency commends the Secretariat for their work to develop the Independent Evaluation Function. We support the final proposal presented by the Secretariat. The proposal duly outlines risks, potential mitigation mechanisms, and a pathway for execution. We note that the next step towards operationalization of this fundamental change will be the outlining of SoPs, and trust that the independence of this new function will be clearly and accountably protected at this stage, with appropriate oversight by the Board and its Committees.

V. Recommended Updates to Risk Appetite (GF/B46/06)

The Private Sector Constituency appreciates the concise summary of recommendations presented in the report, based on analysis of the individual risks for Program Quality, HIV, TB and Malaria, M&E, Procurement, In-Country Supply Chain, Financial and Fiducial Risk, In-country Governance Risk, and Quality of Health Products Risk. We welcome the overview of the activities on operationalization of risk appetite, the case study on operationalization of risk appetite, and the provided trade-offs case studies and prioritized program

adaptations and risk trade-off analysis. The Private Sector also notes the level of work the LFAs have been required to take on and would appreciate more information on LFA support and accountability, including whether there are external risk assurance mechanisms in place to monitor LFA performance and provide guidance where performance is challenged.

The Private Sector supports the approval of the amended risk appetite statements. We look forward to additional updates from the Secretariat on the progress made in operationalization of the risk appetite, and its respective outcomes, especially in the key areas including the use of data, the importance of quality health products, and concerns about programmatic performance. We note that the increases in risk appetite should also allow for active engagement of other partners, including the private sector, in finding effective solutions regarding risk, and look forward to further collaborating on areas of shared concern.

VI. COVID-19 Response and Business Continuity (GF/B45/09)

The Private Sector appreciates the update on COVID-19 and business continuity. We recognize the additional burden and stress put on staff in such extraordinary circumstances and appreciate the proactive steps taken to survey and address challenges to staff well-being and functioning. We note with appreciation the progress on signed grants for the 2020-2022 allocations.

VII. Update on M&E and KPI 2023+ Framework Development (GF/B46/14)

The Private Sector appreciates the Secretariat's commitment to development of a robust KPI and M&E framework aligned with the new Strategy. We acknowledge the approach for the planned technical consultations/workshops with technical experts on the KPIs and M&E framework development for the new Strategy. We welcome the opportunity to be able to contribute to this effort through the involvement of our experts and experience. We also appreciate the update by the Secretariat on the process, plan and status of the technical measurement consultations.

The Private Sector welcomes measurable, clearly defined, effective KPIs. We look forward to more information on the approaches that address areas where it is difficult to measure performance objectively, such as gender and human rights, where qualitative analysis will be more beneficial. We believe that it is important that the Secretariat utilize learnings from measuring the impact of COVID-19 and we look forward to additional information on how the Secretariat is planning the development of the PPR KPIs. We would like to see all the objectives in the strategy being supported by objectively measurable targets and performance indicators.

VIII. Semi-annual Risk Management Report (GF/B46/19)

The Private Sector welcomes the detailed Semi-annual Risk Management Report that provides valuable cases and analysis of the individual risks for Program Quality, HIV, TB and Malaria, M&E, Procurement, In-Country Supply Chain, Financial and Fiducial Risk, In-country Governance Risk, and Quality of Health Products Risk. We note that on issues related to sexual exploitation, abuse, and harassment & misconduct, risk mitigation is not on track and there are significant delays. We would like to learn more on how these serious issues are being addressed by the Global Fund, including advocacy on these issues with partners and during stakeholder engagement.

The report covers in detail the potential impact for every risk, which we applaud as an important tool to help the Board understand how each risk should be addressed. We would like to learn more about how each risk is linked to Global Fund objective/s as this information will provide further clarity to the Board in their oversight concerning risk.

We also would appreciate information on how the roll-out of the malaria vaccine will challenge assumptions in program implementation in countries. With many health needs and limited resources, national policymakers will weigh the decision to introduce a malaria vaccine against competing demands for funding. This could open opportunity for further discussions and potentially for decision-making guidance in determining which malaria intervention or combination of interventions has the greatest potential for reducing the disease burden in alignment with the Global Fund's objectives.

IX. Update on Resource Mobilization Matters and the Seventh Replenishment Action Plan (GF/B46/20)

The Private Sector commends the Secretariat for their exceptional achievement in mobilizing US\$4 billion for the C19RM. This demonstrates the strong fundraising capability of the Global Fund tied to its exceptional track record in taking rapid action, and lessons from this effort should be fully leveraged for the challenging task of raising substantial additional resources for the 7th Replenishment.

The Private Sector welcomes the Global Fund Health Financing Department's plans to expand partnerships with Multilateral Development Banks (MDBs), including to accelerate financing to address the setbacks from COVID-19. The stepped-up role of MDBs in vaccine procurement financing during COVID-19 provides an important model and potential foundation for a greater role of MDBs in public health technology procurement.

Finally, we acknowledge the progress made on "In-kind/innovation partnerships with the private sector" where out of the 13 non-financial pledge partnerships, all have contribution agreements in place, with 91% having ongoing workplans and 75% having started in-country or research implementation.

THE SOUTH EAST ASIA (SEA) CONSTITUENCY

The Global Fund

To Fight AIDS, TB and Malaria

Dasho Kunzang Wangdi, Board Member;
Mobile: +975 17602000; Email: dashokunzang@gmail.com
Dr Shobini Rajan, Alternate Board Member
Mobile: +91 98710 02535; Email: shobini@naco.gov.in
Ms. Suneeta Chhetri, Constituency Focal Point
Mobile: +975 77200026; Email: bhutanccm@gmail.com

Dated: 5 November 2021

SEA CONSTITUENCY STATEMENT ON 46TH GLOBAL FUND BOARD MEETING

The SEA Constituency commends the Global Fund Board Committees and the Secretariat for the substantive work in preparing the Tentative Agenda for the 46th Global Fund Board Meeting. We have with the intention of adding further value to it taken the liberty to present the following comments:

1. COVID-19 and Business Continuity, including C19RM

We are very heartened to observe that The Global Fund's core business is moving ahead as planned despite the hurdles. We are hopeful this would give the stakeholders greater confidence in efficient utilization of funds for the achievement of the grant objectives. We are happy to note the 90% confirmed vaccinations well above the national average in Switzerland (~60%), that has enabled the Global Fund to introduce flexibilities for the staff, enabling them to discharge the projects and achieve results with greater efficiency.

We are hopeful the Strategy Narrative when approved will guide preparations for the next cycle of grants, associated policy changes, setting the stage for the 7th Replenishment. Most importantly guiding the pathway for achieving our mission of ending the three diseases as epidemics.

The Business Contingency Plans (BCPs) that allowed flexibility for countries, Principal Recipients (PRs) and health product processes and systems have mitigated risks faced by our core programs due to in-country disruptions. We note that the Fusion project to be a success and it made it possible for upgradation of the E-business Suite (GFS) onto Oracle Fusion Cloud bringing a data archival solution, a product data hub (PDH) as the organizational master list for Health Products and Oracle guided learning. The SEA Constituency accolades this remarkable achievement which is a step towards better management and use of data for the Global Fund objectives.

In addition, we note that the Secretariat has focused and prioritized its fundamentals while progressing towards technological advancements by ensuring system resilience, stabilizing systems, enhancing analytics, and improving access to data. The upgradation of Performance and Accountability tracking process to monitor the impact of COVID-19 has been found to be a handy tool providing visibility into processes enabling better planning and execution of the planned initiatives.

We also note the highlights in the report that the Global Fund has continued to make progress in pledge conversion. Pledge conversion continues to be monitored carefully by the Secretariat and the risks involved in pledge conversion are being mitigated. The Global Fund continues to play a key role in three of the four ACT-Accelerator pillars: including on the diagnostics pillar supply work stream with WHO; encouraging advocacy and community engagement across all ACT-Accelerator work streams and through the Global Fund Advocates Network; supporting procurement and deployment with WHO on therapeutics; and on the ACT-A Oxygen Taskforce and in a series of work streams on the Health Systems Connector. The Global Fund has, along with its partners, actively supported countries in COVID-19 response. It has played a pivotal role to procure diagnostics, PPE, therapeutics, and oxygen for the member countries. Even though the pandemic continues to threaten lives and risk the investments in HIV TB and Malaria, it has also presented an opportunity for the Global Fund to step up its fight against diseases.

The SEA Constituency commends the increased resilience and innovation across the Global Fund which will continue to strengthen the core HIV, TB and Malaria programs.

2. Update on Draft M&E & KPI 2023+ Framework Development

We commend the work on M&E and KPI Framework development carried out with series of extensive expert consultations, particularly in alignment with the approved Global Fund strategy. We also express our support for visualizing the two levels of country and strategic M&E outlined in the framework. Moreover, we reiterate our appetite to systematically evaluate the GF investment focusing on Value for Money and effective outcomes, not only monitor grant related performance, at country level to the Board. For instance, by deliberating on lessons learned from PCE to actions, strengthening in-country M & E capacity through CCM evolution and country-led independent evaluation upon existing oversight function of CCM, which is an essential component of RSSH and sustainability.

Lastly, taking limited experience from the current KPI measurement, we reaffirm the Global Fund accountability in performance outcomes across all levels and would benefit from a well-designed KPI and relevant target setting that would broadly be representative of GF country differentiation. Secretariat may explore means of co-opting full participation of experts and stakeholders from the implementer countries so as these become useful tools.

3. Eligibility and Allocation Overview

We acknowledge the Secretariat's Eligibility policy review which indicates as: all LICs and LMICs are eligible regardless of disease burden, UMICs requirement and exceptions, and other parameters including transitioning countries. We also urge in small islands and/or the economies need to be given full exception regardless of disease burden. Even in catalytic funding and multi-country funding emphasis seems to be only in small island states, and cases such as Bhutan being mentioned as eligible under special rules.

We observed that Cross-border use of country allocations and coordinated response is mentioned almost as a sideline. Migration and mobility are not mentioned at all, yet those are significant ways of

spreading the three diseases, particularly HIV and TB. Here again, health systems and services, which tend to be the weakest in distant border areas are not mentioned at all.

The SEA proposes inclusion of multi-country and cross border issues, including mobility and migration, and how to strengthen the services in these areas under the Catalytic Investment Eligibility Criteria.

4. Report of the Executive Director.

We thank the Secretariat for the Executive Directors' report. We observed that variant-driven waves of infections and deaths could cause huge loss of life and knock the Global Fund's progress further off track on HIV, TB and malaria. The economic and social scars will become harder to heal the longer the crisis. Despite huge efforts by many in the global health community, global response remains lopsided. 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.

C19RM, was refined and re-launched based on the lessons from 2020 and has thus improved Global Fund's role in COVID-19 response. 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.

The OPEX budgets are regularly refined based on the recommendations of the Audit and Finance Committee which has resulted in greater efficiencies. People are an organization's greatest asset and thus, Global Fund's increasing focus on investing in the staff has brought about quantifiable improvements. This has especially been highlighted in the light of the challenges brought forward by the global pandemic. Diversity, equity and inclusion (DEI) have been a key focus this year which has been a welcome development. It is also important to get back on track in the fight against HIV, TB and malaria, in order to achieve the 2030 deadline.

The pandemic has led to falling behind and reversing some of the progress achieved in the past. Hence, it is important to get back on the road with increased efforts. As highlighted by the Executive Director, this would require mitigating the impact of COVID-19 while addressing the increased need

for financial resources to fight HIV, TB and Malaria. With only 8 years to achieve SDG 3 of ending the epidemics by 2030, 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. Concerted efforts may have to resort in resource mobilizations and of new initiatives in domestic and private sector engagement through Global Fund field operations be explored for optimal resource generation.

In conclusion, the Global Fund partnership has risen to this extraordinary test. The ability to adapt to this rapidly evolving crisis and act swiftly and at scale has been an asset in the fight against the pandemic. Looking forward, the same agility will be needed to put wheels in motion for greater impact on HIV, TB and Malaria while continuing to participate in COVID-19 response.

5. Strategy Development: Strategy Narrative

We appreciate the considerable amount of hard work put in for drafting the Global Fund's 2023-2028 Strategy through a highly consultative two-year process - developing the strategy framework followed by a strategy narrative. We also would like to thank the Secretariat for incorporating the Strategy Narrative with feedback received from the constituencies and the final review of the Strategy Committee with the inclusion of TB data in line with the 2020 data released by the WHO on 14th of October 2021.

The Strategy Narrative clearly articulates an increasing need to support national disease control programmes to strengthen services and attain disease control, despite the COVID-19 impact. It is however equally desirable to strengthen social security nets for the key and vulnerable populations and well as those living with disease.

6. Allocation Update and Global Disease Split Decision

Our constituency strongly advocates for change on the Global Disease Split Decision to increase more funding for TB. We would like to express our support for the Secretariat's recommendation option on revised GDS to an appropriate balance between scaling up the share of TB funding and mitigating the negative impact on HIV and malaria funding. We consider the recommendation

relevant as 1) Remaining current global disease split up to a USD 11 billion threshold, 2) Applying a new global disease split of 45% for HIV, 25 % TB and 30% malaria to additional amounts of funding over USD 11 billion.

As TB in South Asia is about half of the burden of the whole world with India having by far the largest share of that the need to increase funding for TB has been recognized in the split document. TB funding would be maintained as a priority scaling up TB funding in high burden countries and to protect the most vulnerable and integrating TB in overall health services is the way to ensure efficient use of resources. In this regard, our constituency supports the Option 1 for GF/B46/DP/XX: Revise the global disease split based on available funding.

7. Progress Report of the OIG mid-2021

We thank and commend the Office of Inspector General for the Operational Progress Report which is largely on track to deliver its 2021 workplan despite multiple challenges during the year. The work carried out in the Philippines, Cameroon and Kenya is representative of the fact that remote auditing of countries is possible.

We take note of some of the significant challenges such as delays in receiving documents from auditees and the increased scrutiny required to ensure audits meet the quality standards. It is also noted that a significant amount of audit efforts this year was spent on completing previous year assignments as compared to last year which can be attributed to the continuing global disruptions caused by COVID-19.

The report further highlights challenges encountered during in-country collection of evidence. Third parties have been appointed to obtain documentation and to conduct vendor verifications. Remote interviewing using available technologies have proven effective. However, these are time consuming processes and present a challenge in gaining the trust and confidence of whistleblowers. The report suggests that the investigations have been planned, executed and reports have been published with efficiency.

The COVID-19 related challenges continue to affect certain areas of the process; however, the teams are learning and improving how these are addressed with each successful case closure. A 32% rise in reporting has been observed. In addition, 51% of reports received have come from whistle-blowers which is 4% more compared to last year. Further, the highest reporting countries are Pakistan, Nigeria, South Africa, Kenya and Indonesia.

A framework related to harassment, including sexual harassment, bullying and abuse of power in the context of Global Fund programs have been developed. The roles and responsibilities have been defined and clarified, as have the relevant sections relating to funding agreements and codes of conduct. It will be important to keep a track of the effectiveness of these measures put in place.

The fraud awareness initiatives have been increased to ensure all the people associated are equipped to spot, interrupt and report wrongdoing in the programs before wrong doing becomes systemic. This is a good initiative from Global Fund as it is based on the principle of prevention before the happening of such an event.

The rise in pandemic-related risks at the implementer level is reflected in an increased need for country-level assurance and internal audits which focus on country-facing risks, including monitoring and risk management of grant implementation, and on in-country data and data systems. The plan of the committee aims to provide assurance that grants are delivering positive results, that COVID-19 funds are being effectively utilized, and that the organization will be able to deliver impact.

8. Risk Appetite and Risk Management Report- Recommended Updates to Risk Appetite

Acknowledging the devastating impact of COVID-19 pandemic on the Global Fund's operating environment, causing HTM service disruptions and delay target achievement, we are grateful and commend the Secretariat in sharing the amendments to certain Risk Appetite Statements, including risk appetites, target risk levels and timeframes to achieve target risk as described in the table in Annex 1 to GF/BM46/06 and also the updated report on the current risk profile of the organization, as well as risk management priorities for 2021 and 2022. Therefore, we approve the decision point on Amended Risk Appetite Statements as proposed.

9. 2022 Corporate Work Plan and Operating Expenses Budget

We thank the Secretariat for the 2022 Work Plan and Budget Narrative and the narrative complement to the Global Fund 2022 Operating Expenses Budget and support the recommendations of the Audit and Finance Committee. Hence approve the Decision Point presented on page 2 of this document of GF/B46/02.

10. Independent Evaluation Function

We were made aware that many critical issues will be further discussed. However, the SEA in principle supports an independent CELO of the Global Fund.

11. Update on Resource Mobilization and the Seventh Replenishment Action Plan

The works carried out by the Board Leadership and the Secretariat in resource mobilization and replenishment are appreciated. However, while the SEA will support the new strategy and the Global Disease Split as proposed to the Board, we would urge all avenues possible to be explored in this regard including country-wise private sector participation through sponsorship or taxation as part of domestic resource mobilization. The SEA Constituency may, consisting of LIC and MIC can also boast of globally well-endowed private sector corporations and individuals.

The SEA Constituency joins the others in wishing the 46th Board Meeting of the Global Fund a fruitful session that will lead us closer to fully attaining the SDG 3 Goals.

Dasho Kunzang Wangdi
SEA Board Member

UK constituency statement to 46th Global Fund Board meeting

4 November 2021

The UK thanks the Secretariat and all those involved for their work in bringing together contributions from across the partnership into a final strategy narrative for Board approval. We believe this revised narrative provides us with a comprehensive framework to take forward the goal of ending AIDS, TB and malaria. We welcome the clear focus on ending the three diseases within a broader context of preparing for and responding to pandemics.

The UK is happy to approve the framework. In doing so we would like to reiterate our previous request to **move the discussion to operationalisation of the strategy** as soon as possible with a focus on what will look different to deliver on its ambition and expected impact. We acknowledge the paper provided by the Secretariat as a first step in this process and welcome further discussion on this at Strategy Committee and Board level. In this respect we outline a number of areas we see as critical:

- We need **closer collaboration and coordination between the Global Fund and other key health institutions**, particularly at country level, allowing us to deliver together better. This is vital for the delivery of integrated people-centred quality health services and for PPR. It is also important for the introduction of new tools, including the new WHO-recommended malaria vaccine which if approved by the Gavi Board will require new ways of working between Gavi and the Global Fund. It is incumbent on the Global Fund and other agencies to ensure that their engagement with national stakeholders as well as funding and other support is both strategic and coordinated.
- We need a **greater focus on strengthening health systems** that provide quality and affordable health services for HIV, TB and malaria integrated as far as possible within a wider package of services responsive to the needs of populations and which protect them from harm. This **requires a longer- term approach to health system investments**. We believe a discussion on how this can best be achieved within the current business model would be beneficial.
- We need to ensure that **decisions on the allocation of available resources** across the three diseases and across countries, as well as the tools used to support these decisions, are **based on a longer- term strategic approach** to funding the three diseases to reach our goal for 2030 in a sustainable way.
- We need a **stronger focus on health equity** both in terms of reaching those who have been left behind in our response to individual diseases to date, as well as a clear equity approach when it comes to the allocation of resources across countries. We must continue to focus the limited resources of the Global Fund on countries least able to fund their own responses.
- Finally, we will need **clarity on what success looks like at the end of the new strategy period**. This requires us to have KPIs that speak to the key areas of change within the new strategy and clearly track progress on RSSH, PPR and the contribution to wider health impact and health security.

We look forward to the Board meeting and the discussions over the next few days and to reaching the important milestone of an approved strategic narrative.



UNAIDS Constituency

Statement in advance of the 46th Board Meeting

Strategy Narrative

The UNAIDS constituency wishes to thank the Secretariat, the Strategy Hub, Partners, and the Board for a highly consultative and inclusive process despite the challenges of COVID-19. In particular, the UNAIDS constituency wishes to recognize the important work undertaken to ensure linkage and coherence of the strategy with the 2030 Sustainable Development Goal of ending Aids, TB & Malaria, and achieving Universal Health Coverage; the Global AIDS Strategy (especially the 95/95/95 and 10/10/10 legal and societal barrier targets) and the WHO Global Health Sector Strategy for HIV, Viral Hepatitis and STIs; the WHO TB and Stop TB Global Plan to End TB; the WHO Global Strategy for Malaria and RBM Partnership to End Malaria Strategic Plan; as well as input from the Global Fund Technical Evaluation Reference Group mid-term review of the previous strategy and inputs from the TRP and OIG.

We are of the view that such strong linkages and strategic coherence are essential for all partners to play their roles synergistically and give us the best chance collectively to meet the 2030 targets. We must now work together to do the hard work of implementing this ambitious strategy, using the collective power of the partnership, starting with developing an Implementation Road Map to guide our joint efforts.

The UNAIDS constituency is satisfied with the outcome of the strategy development process and looks forward to working together with the Global Fund and other partners to implement the new Strategy.

Global Disease Split

The UNAIDS constituency recognizes the need for greater resources to address TB. That said, HIV also needs increased resources, especially given the reversal of the gains made by COVID-19 over the last two years, and the need to build back better rapidly.

However, we believe changing the Global Disease Split at this stage is unnecessarily divisive and may complicate communications regarding the investment case for replenishment. Pitting one disease against the other is surely unhelpful. As Nelson Mandela said, “We cannot win the battle against AIDS if we do not also fight TB.”

Moreover, as a practical matter, we believe the actual split of resources at country level is

influenced by the Global Disease Split to a degree that leaves considerable latitude for adjustment. We are of the view that there is great scope for expanded investments in *shared* health systems components – e.g., laboratory, sample transport, community health systems – as well as flexibility within the array of existing Global Fund mechanisms and modalities that can be utilized within a bolder, country-led, allocative efficiency framework to strengthen both responses without the need for a change of the Global Disease Split.

In particular, we would support a more transparent discussion and holistic approach to using catalytic funds, strategic initiatives, multi-country grants, portfolio optimization, and quality unfunded demand as means to address specific high value for money investments in reducing TB and TB/HIV incidence and mortality.

Independent Evaluation Function

The UNAIDS constituency wishes to congratulate the Secretariat on a thorough consultative process. We are pleased to note the important issue of the functional independence of the Evaluation Unit and Chief Evaluation and Learning Officer (CELO) have been addressed through the oversight functions to be played by the Independent Evaluation Panel and the Strategy Committee.

We are of the view that there are numerous evaluations, studies and advisories carried out by the TERG, OIG, TRP etc. with important findings that can improve the effectiveness and efficiency of the Global Fund partnership. A well-functioning IEP and effective CELO will be critical to harmonizing the learnings from these various streams of work and ensuring they are incorporated in a seamless manner that reduces fragmentation. Ensuring the right caliber of personnel for the CELO and membership of the IEP will be critical.

Risk Appetite

The UNAIDS constituency recognizes the increasingly volatile risk environment linked to COVID-19 and welcomes the proactive work of the Secretariat on risk appetite. We support the work of the Portfolio Performance/Investment committees to provide oversight of grants and country implementation of HTM grants and C19RM. We support the suggestion that the Board should receive greater reporting on emerging risk trends and the effectiveness and results of assurance measures, including the additional assurances put in place.

Executive Director's Report

The UNAIDS Constituency thanks the Executive Director for his bold leadership at this critical time, and recognized the stellar work being carried out by the Secretariat, OIG, TRP, TERG and other parts of the Global Fund partnership to keep the work going despite the challenges associated with COVID-19.

It is critical that we acknowledge front line health workers across the world for the courage, commitment and tireless efforts to save peoples lives from the three diseases and COVID-19, as

detailed in the Executive Director's report. Through our partnership it is critical we intensify our efforts to tackle the resurgence in human rights and gender related barriers as a result of the pandemic.

Global Fund 7th Replenishment

The UNAIDS constituency is committed to support a successful Global Fund Replenishment, noting that it will require a determined effort of the entire partnership. As the Executive Director report notes, it will be imperative to articulate the need to reduce global health inequities and turbo charge the fight against the existing pandemics, and support the systems, infrastructure and capacities put in place to fight existing infectious diseases, which are the best foundations for pandemic preparedness and response.

Diversity, equity and inclusion

We commend the Secretariat on the work undertaken to foster diversity, equity and inclusion (DEI) and the shaping of the DEI strategy, priorities and plan.

WHO Constituency Comments
46th Global Fund Board meeting
November 2021

Global Fund Strategy Narrative

We would like to recognize the tremendous work of the Global Fund Secretariat for the extensive and inclusive consultative process for the development of the narrative of the Global Fund Strategy 2023-2028. We also appreciate that many suggestions by WHO have already been reflected in various drafts.

The current version under consideration provides a sound foundation for the Global Fund to drive its mission and vision of a world free of the burden of AIDS, tuberculosis and malaria with better, equitable health for all.

As we move to prepare the implementation plan of the Global Fund Strategy 2023-2028, we would like to make a few suggestions.

- A stronger focus on the health SDG 3 and wider health outcomes is needed, and ensuring alignment of Global Fund (and Gavi) investments with national health plans and consideration of longer-term health systems investments that go beyond the 3-year allocation period. This would bring more sustainable impact. Having “one funding request” or proposals which looks in a holistic manner at RSSH investments should be a considered approach.
- As part of the strategic shifts, we welcome the strategy’s emphasis on integrated and people-centred services and programmatic and financial sustainability. To implement these strategic shifts, there is a need to ensure that there is a common understanding on approaches to health system strengthening, people-centred services and primary health care.
- It will be important to clarify the definition of ‘engaging communities’ ‘community health systems’ and ‘vulnerable populations’.
- Innovations like malaria vaccine, and a focus on sexually transmitted infections would strengthen the required response at policy and programmatic levels.
- WHO normative guidance on various determinants for the three diseases like for example alcohol and smoking for TB, is utilized as new grants will be developed and implemented.
- As noted in our previous comments, the TB-related terminology in the narrative does not align with the overall definition of catastrophic costs as laid out in the SDG monitoring framework and indicator 3.8.2 for UHC-financial protection. WHO will continue to work closely with the Global Fund’s health financing team, to mitigate the risk of confusion, particularly at country level.
- The implementation of the objective of ending the malaria epidemic will need to adhere to careful prioritization of resources and interventions based on evidence and sub-national data. The malaria High Burden High Impact approach is the outline to follow for countries with high malaria burden.
- The Global Fund’s COVID-19 Response Mechanism (C19RM) provides much valued financing support to PPR efforts and mitigation of COVID-19 on HTM outcomes by maintaining these essential health services, yet while the mechanism provided fast access to funds from a health development perspective, it appears that it may not be sufficiently agile to address acute countries needs and situations of concern in a timely manner.

- In order to avoid any potential fragmentation of national response efforts, it will be important to align the Global Fund partnership with existing instruments such as the International Health Regulations (IHR), as well as the health emergency response framework and UN humanitarian response mechanisms already in place (plus Universal Health and Preparedness Review, National Action Plans for Health Security, Global Preparedness Monitoring Board, Disaster Risk Reduction). The current audit by the Office of the Inspector General of C19RM will provide valuable lessons for the future. WHO also welcomes the Strategic Review of the ACT-Accelerator and the recommendation to reset the Health Systems Connector to the Health Systems and Response Connector to be more responsive to country needs and gaps, as well as fully integrated into the national preparedness and response efforts.
- We anticipate enhanced engagement in the SDG3 Global Action Plan, leveraging from the expertise and added value of each partner, to achieve the required acceleration toward the HIV, TB, malaria and SDG targets.

M&E and KPI 2023+ framework development

WHO welcomes the opportunity for meaningful contribution on the development of a comprehensive framework that will monitor and evaluate progress of the implementation of the Global Fund's 2023-2028 Strategy and the Partnership's fight to end malaria, HIV and TB. We appreciate the extensive efforts being made by the Global Fund Secretariat to engage with technical experts from diverse background for the ten defined measurement topics. WHO is actively contributing in these discussions with detailed technical inputs. As this work progresses, it is important to consider the following cross-cutting points:

- An important principle is to align KPIs as much as possible with indicators appearing in global strategies, in order to reduce the monitoring and evaluating burden on countries, as well as to harmonize with the ongoing work of technical partners, and donors.
- Monitoring of prevention activities needs strengthening, with a major opportunity in approaches across diseases, for example HIV-STI and HIV-TB monitoring.
- The new strategy will require a shift from systems support to systems strengthening, a shift towards integration and people-centred approaches. In order to be able to measure the successful operationalization of this strategic shift, we need to monitor it as part of the new measurement framework.
- We appreciate the direction of people-centred monitoring to improve programme outcomes – this fits well with the WHO and Global Fund joint data initiative and WHO upcoming guidelines on M&E and surveillance that incorporate the full pathway of prevention and care.
- There should be consideration on adding a measurement topic on the partnership enablers.

Allocation and Global Disease Split

The Board is reviewing the global disease split at a time when the whole world is impacted by COVID-19 and learning lessons from this pandemic.

We know that all three diseases, HIV, malaria and TB, are global public health priorities, and they need enough resources to catch up from the setbacks resulting from COVID-19. There is good evidence that the current lack of funding hampers our collective ability to achieve the ambitious targets that have been set for 2030 for all three diseases.

The following principles are guiding WHO consideration around the eligibility and allocation for the next cycle of Global Fund investment in countries:

- consistency with the global disease burden
- securing the gains made so far for HIV, malaria and TB
- protecting the poorest, by preserving the allocation to low income countries

This year, a new UN political declaration on HIV and AIDS: Ending inequalities and getting on track to end AIDS by 2030, was adopted in June, and the UN General Assembly adopted in September a resolution on consolidating gains and accelerating efforts to control and eliminate malaria in developing countries, particularly in Africa, by 2030. We would like to remind that in 2018 the first UN High Level Meeting (UNHLM) on TB led to a political declaration with Governments and partners united to end TB through an urgent response to a global epidemic. They committed to ambitious targets, including:

- providing diagnosis and treatment with the aim of successfully treating 40 million people with tuberculosis from 2018 to 2022,
- preventing tuberculosis for those most at risk of falling ill through the rapid scaling up of access to testing for tuberculosis infection, according to the domestic situation, and the provision of preventive treatment, with a focus on high-burden countries, so that at least 30 million people receive preventive treatment by 2022,
- and increasing funding by 13 billion USD annually.

For all the three diseases, COVID-19 has reduced progress and seen reduction in services delivered – for TB, the [Global TB Report 2021](#) notes a concerning increase in TB deaths for the first time in more than 10 years with approximately 1.5 million people having died from TB in 2020 (214 000 of whom are people with HIV). The report highlights great challenges to TB progress due to COVID-19:

- The number of notified people diagnosed with TB fell from 7.1 million in 2019 to 5.8 million in 2020 leading to a 41% increase in undiagnosed TB cases and a reduction in people treated for drug-resistant to only about 1 in 3 of those in need.
- There was also a 21% drop in the number of people receiving TB preventive treatment (TPT) leaving targets for household contact receiving TPT unmet.
- The global spending on TB services declined from USD 5.8 billion in 2019 to USD 5.3 billion in 2020, but the impressive news is 81% came from domestic sources, with the BRICS countries (Brazil, Russian Federation, India, China and South Africa) accounting for 65% of total domestic funding, leaving major funding gaps in low income countries.

Not only does the world need to refocus their efforts on HIV, TB and malaria – the trends in TB data make this even more urgent.

In this context, we would like to draw the attention of the Board members to the WHO position paper on the global disease split shared with the Strategy Committee ahead of its 17th meeting in October. The paper proposed an additional option based on careful analysis of epidemiological data and the need to preserve funding to low income countries. WHO also emphasized the move towards a process led by country-owned

planning and prioritization based on evidence which serves as a bottom up approach to the global disease split. As the Board is aware, another option was proposed by Canada/Switzerland/Australia constituency.

WHO is of the view that in order to take an informed decision, it will be more appropriate for the Global Fund Board to review all options presented at the 17th Strategy Committee. We would like to have adequate explanation on the secretariat analysis that the WHO proposed option will not protect low income allocations and HIV and malaria programmes.

If the Board decides to proceed with the recommendation of the Strategy Committee, WHO believes that maintaining status quo will not allow us to achieve the End TB Strategy goals. WHO would encourage that decisions be made that will provide the greatest ability for countries to achieve impact and strongly suggests the Board consider a higher share for TB than the currently proposed 25% for additional funding above USD 11 billion. We also encourage the Board to pull all the levers available to fill the funding gap for TB.

In recognition of the significant need to increase funding for all of the three diseases, WHO will continue to proactively support advocacy efforts to ensure that the next replenishment of the Global Fund will be a resounding success.

CONSTITUENCY STATEMENT

46th Global Fund Board Meeting November 2021

The WPC appreciates the work and support of the Secretariat in preparing meeting documents in a timely manner and we have worked to ensure consultation across our constituency into the issues and decision points that will be discussed during the meeting.

Strategy Development

The WPC has been extensively involved with the development of the strategy framework and narrative and is satisfied that the Strategy Narrative contains the essential elements to take the Global Fund forward.

The WPC reiterates the following:

1. That communities and key populations are central to our work. We need to ensure that we truly live this goal in this strategy period by developing KPIs that measure our commitment to this goal. That the status of the CRG (in full) in the Secretariat is elevated in order that Community and Key Population issues are part of the highest leadership remit of the Global Fund.
2. That CCMs are also central to the implementation of the new strategy so consideration must be given to ensure that the CCM model is fit for purpose, especially with the expanded remit of Pandemic Preparedness.
3. That a mid-term review of the strategy, especially at the country and community levels is essential to assess the situations on the ground, given that by 2025 the health landscape will be very different
4. That we remind ourselves that our primary focus are the 3 diseases, so we need to be vigilant that our Covid19 and Pandemic Preparedness are seen through that lens.
5. That we must use the Strategy to leverage input and commitment from our Governments, Civil Society and Communities beyond grant development. We urge the Secretariat to consider this when developing the implementation plan and to ask the question “what would a Minister of Health, Civil Society Leader or Key Population Representatives do with the document if it was handed to them?” How can we make it live and inform all aspects of our work?

The WPC will commit to working with the Secretariat in 2022 to ensure that we have locally contextualized versions of the Strategy that can be used by WPC constituency members in their local advocacy efforts.

Allocation update and Global Disease Split Decision.

The WPC supports the review of the Disease Split and recognizes that increases in TB burden and the significant impact Covid19 has had on achieving TB outcomes, needs to be recognized.

We also believe that an increase in support to TB should not come at the expense of HIV and Malaria programming.

A 7th replenishment that takes into consideration the following key principles may be the best way forward:

1. A “base level” of funding that keeps the current disease split and ensures current programming and grants are not compromised.
2. A revised disease split that takes into consideration the increased TB Burden that is applied for funding over and above the “base level”.

CONSTITUENCY STATEMENT

3. A comprehensive plan developed by the secretariat that provides for additional funding for TB using all the financial levers at our disposal, including catalytic investments, co-financing, and others to be presented to the Board as soon as possible.

The WPC will work with our colleagues in developing such an approach that ensures a decision can be reached at the 46th Board meeting.

Office of the Inspector General Progress Report

The WPC notes that the Philippines, a member of the WPC, was one of the countries where a remote audit took place, and we share the following thoughts on the process:

1. Give adequate time to announce the audit so national calendars are considered and organizing meetings are appropriately done in phase.
2. National context must be considered in looking at the grant performance, like how local bureaucracy impacts on project outcomes

The WPC is pleased to see that the OIG will evaluate the CCM model and approach as this has been an issue that we have been keen to see addressed and have raised on several occasions this year. We believe the time is right to evaluate whether the CCM model is fit for purpose, and we are happy to work with the OIG with any field work that may take place in our region.

Risk Appetite and Risk Management

The WPC recognizes that amendments to certain Risk Appetite Statements, including risk appetites, target risk levels and timeframes are needed to achieve target risk.

The WPC also recognizes that the COVID-19 pandemic has had a significant impact on the Global Fund's operating environment, causing widespread disruption. Higher risk levels may need to be accepted for longer as we allow time for mitigating actions to take effect.

The WPC acknowledges that the Global Fund's risk appetite needs to reflect this new reality whilst also facilitating future decision-making and intelligent risk taking.

2022 Corporate Work Plan and Budget

The WPC recognizes that the Global Fund Work Plan and Budget Narrative forms a key component of the financial reporting, planning, and control structure of the organization.

The WPC is assured that the budgeting approach ensures strong cost discipline on Secretariat structural/fixed costs and increases the level of strategic/enabler funding.



The WPC is pleased to see that CCM costs are now considered core, on-going costs of the GF and no longer to be funded from catalytic investments

CONSTITUENCY STATEMENT

The WPC notes the increase to the CCM/LFA budget by 0.7M and would like to know if this increase is any of it flowing directly to CCMs to support their increased workloads, especially in oversight of the CRM19 Grants.

The WPC notes that travel has been suspended during the past 2 years. Has the Board constituencies budget taken this into consideration for the anticipated return to face-to-face meetings and travel in 2022.

Independent Evaluation

The WPC recognizes that the Global Fund's independent evaluation function needs to be transformed to improve and strengthen accountability, evidence-based decision making and greater learning from evaluation evidence.

WPC has been supportive of the creation of an independent evaluation model for the GF throughout the discussions of the SC and EGC

The WPC believes that a 360 degree approach to evaluation is important, especially for the Countries and CCMs as it ensures that all aspects of the GF functions can be evaluated by a range of stakeholders in an independent manner which was previously lacking. The WPC is keen to see how CCMs and communities will have the opportunity to be involved in evaluating the secretariat and GF processes.

7th Replenishment and Resource Mobilisation

The WPC thanks the Secretariat for working on several initiatives to prepare the ground for the Seventh Replenishment.

The WPC supports that the primary focus of the Seventh Replenishment Action Plan over 2021-22 is to maximize the success of the Seventh Replenishment process, which will culminate in the final Pledging Conference in Q3 2022.

The WPC offers its support to the Board and Secretariat to assist the replenishment process in any way that it can in our region and in our spheres of influence.

Update on ME and KPI Draft Framework

The WPC is supportive of the Secretariat organizing a series of technical consultations with internal and external subject matter experts on the development of the KPI framework and looks forward to participating and hearing the results of the consultations.

The WPC has long been concerned that whilst the rhetoric of the GF has been that communities and vulnerable populations are central to the response, the Strategy development process has highlighted that many constituencies believe there is still a long way to go before this sentiment is a reality. One way we can see this implemented is by developing specific KPIs that measure engagement and ownership with communities and key populations, how will the consultation process ensure that this issue is adequately addressed?



GF Board leadership

The WPC notes that the current Chair and Vice Chair of the board were due to step down in May 2022. However, issues around constituting the leadership selection panel and the impact of Covid19 have led to a decision taken to extend the terms of the current leadership until May 2023. The WPC voted in favour of this proposal as it is a sensible approach to ensure continuity through this critical time for the GF.

Honorarium for Committee Chair and Vice Chairs

The WPC notes that Honorariums will only be made available to Committee Leadership holders who are not in receipt of a full-time income as this will recognize potential loss of income from consultancy/part time work etc. due to inability to take that on because of Committee commitments.

Whilst the WPC voted in favour of this proposal, we note that whilst the acknowledgement of the level of work required via an honorarium is suitable. The WPC would be interested to know if any work has been carried out by the secretariat to quantify the workload of governance officials and to understand if this is a reasonable workload and what other methods of support could be made available to ensure that governance officials are not overwhelmed by the work and potentially burn out.