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# Update on resource mobilization and replenishment

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## 42<sup>nd</sup> Board Meeting

GF/B42/21

14-15 November 2019, Geneva, Switzerland

### **Board Information**

**Purpose of the paper:** This paper is intended to present the results of the Sixth Replenishment of the Global Fund and highlight some key factors associated with the success of the process

# Executive summary

## Context

The Sixth Replenishment Conference of the Global Fund met the target of raising at least USD 14 billion for the 2020-2022 period, reaching a final amount of USD 14.02 billion. This result was achieved thanks to a successful resource mobilization strategy, which counted on the support of donor and implementer governments, civil society actors, communities of people living with the three diseases, technical partners, and key influencers and champions, along with a highly impactful communications campaign, solid media efforts and a structured approach to stakeholder management.

The objective of this paper is to present a first descriptive take on the outcomes of the Sixth Replenishment, following up on Secretariat's updates on resource mobilization and replenishment conveyed to the Board during its 40<sup>th</sup> and 41<sup>st</sup> sessions in November 2018 and May 2019, respectively (please refer to [GF/B40/17](#) and [GF/B41/17](#)). Therefore, the paper provides key data points on the nature and sources of pledges and identifies some of the critical factors associated with the positive results of the process.

## Questions this paper addresses

- A. What are the results of the replenishment process?
- B. What are some of the key factors that allowed the Global Fund to achieve a successful replenishment?
- C. What are the next steps in terms of process reporting?

## Conclusions

- A. The Sixth Replenishment resulted in the mobilization of USD 14.02 billion dollars, an increase of 1.8 billion or 15% compared to the previous replenishment exercise. This was the largest replenishment in the history of the Global Fund and the highest outcome of any health-related global fundraising effort.
- B. The number of public donors for the Sixth Replenishment increased to 58, adding 21 new and returning contributors to the Global Fund. In the case of the private sector, 8 new donors pledged financial resources, for a total of 16, with additional 11 partners providing in-kind contributions or co-financing opportunities.
- C. In terms of pledge sources, 92.6% of the funding committed to the Global Fund originated from public donors (80% from G7 countries, 1.6% from non-OECD DAC countries, 8.5% from other OECD DAC countries, and 0.5% from African countries) and 7.4% from the private sector. G7 donors continue to be the most significant public funders. Canada, the European Commission, France, Germany, Italy, Japan, the United Kingdom and the United States increased their contributions, most by 15% or more. On the private sector side, average increases amounted to 16% across the board.

## Input sought

This paper is presented for Board information. Additional consultations will be conducted over the last quarter of 2019 and in the first quarter of 2020 to discuss lessons learned from the Sixth Replenishment in order to inform the development of the next strategy. Results from the Sixth Replenishment were presented to the Audit and Finance Committee on 16 October for information.

## Input received

Some of the comments and issues raised by the Audit and Finance Committee are as follow:

1. The Committee congratulated the Secretariat for meeting the USD 14 billion target.
2. The Sixth Replenishment has reinvigorated the sense of purpose of the Audit and Finance Committee. This body will continue working to ensure that high accountability and effective risk management are maintained across the organization.
3. The Global Fund needs to focus on achieving the expected impact through more innovation and efficiency. The Sixth Replenishment has provided an opportunity for the organization to step up its game.
4. A priority for the Secretariat and the Board is to determine how domestic resource mobilization projections will be achieved. A strategy should be readily available to support the fulfilment of such estimates as stated in the Investment Case.
5. Strong and appropriate mitigation measures must be designed and put in place to manage the risks associated with conversion rates.
6. The collaboration between Gavi and the Global Fund on resource mobilization was welcomed, including the organization of joint events and donor trips. Similarly, as follow-up to the Lyon Conference, the sharing of best practices and lessons learned was also well received.
7. Civil society and communities were crucial in mobilizing USD 14 billion for the Sixth Replenishment. These stakeholders will keep the Global Fund accountable in ensuring that resources are directed to the areas where they are most needed.
8. The Global Fund should have a structured plan on how to capitalize on the political leadership of key champions as it paves the way toward the Seventh Replenishment. The importance of this course of action is also connected with the possibility of having donor countries increasing their contributions over the next three years and of attracting new donors.

## Background and purpose

In line with the target set in the [Sixth Replenishment Investment Case](#), the Global Fund launched a resource mobilization strategy and campaign to mobilize at least USD 14 billion to save 16 million lives, avert 234 million infections and cases, and significantly reduce mortality rates between 2020 and 2022. The Replenishment Pledging Conference took place in Lyon on 9 and 10 October hosted by President Emmanuel Macron of France, and the meeting was attended by over 1,000 registered participants, including nine heads of state or government; 40 ministers or state secretaries; 10 heads of multilateral agencies, technical partner organizations and financing institutions; 18 CEOs of donor, fundraising and innovation partner organizations; four Nobel laureates; and representatives from civil society organizations, celebrities, and people affected by the three diseases. The conference was preceded by a series of pre-program events between 8 and 9 October, also in the city of Lyon.

This paper seeks to (i) present the Board with the results of the Sixth Replenishment; (ii) briefly describe the elements that facilitated the success of the process; and (iii) identify next steps in terms of reporting.

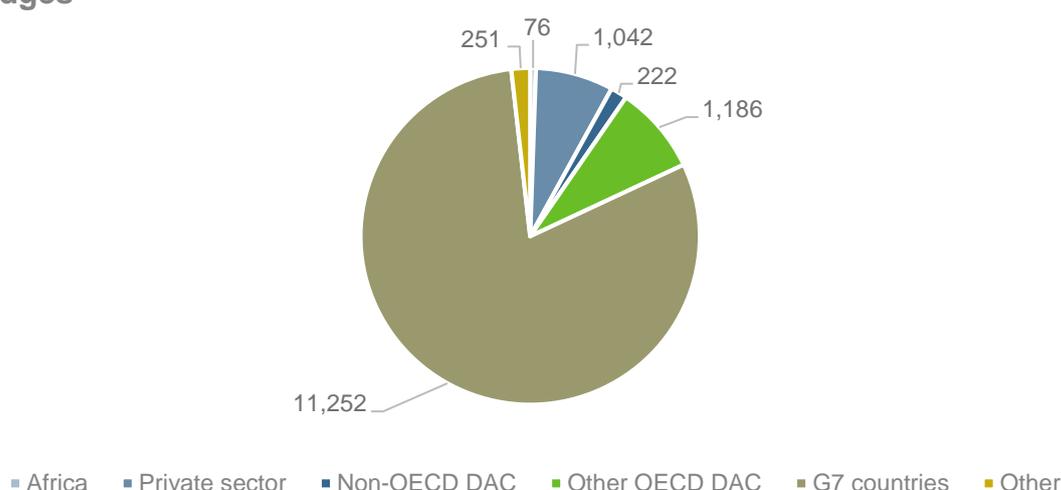
## What are the results of the replenishment process?

The Sixth Replenishment of the Global Fund mobilized USD 14.02 billion in accordance with the ask of the Investment Case. This amount represents an increase of USD 1.82 billion (or 15%) over the USD 12.2 billion raised during the previous period<sup>1</sup> and the largest volume of resources ever mobilized by an international organization dedicated to health. Such results will enable the Global Fund to continue playing a leading role in the fight against HIV, tuberculosis and malaria. Similarly, an optimally replenished Global Fund is expected to catalyze domestic resource mobilization and accelerate progress toward the achievement of SDG 3 and universal health coverage. As indicated by Global Fund principals in several statements, with such a significant growth in resources comes greater responsibility in achieving the goals the organization has planned to attain between 2020 and 2022.

### *Disaggregation of donors per category*

In terms of pledge sources, 92.6% of the funding committed to the Global Fund came from public donors (80% from G7 countries, 1.6% from non-OECD DAC countries, 8.5% from other OECD DAC countries, and 0.5% from African countries) and 7.4% from the private sector. Overall, 74 donors pledged during the replenishment process, 58 public and 16 private. Pledge amounts in each of these categories are represented in graph 1.

### Sixth Replenishment Pledges



**Graph 1.** Pledges by category of donor in USD million

<sup>1</sup> The Investment Case baseline was calculated considering the total pledges of the Fifth Replenishment as at 31 December 2018.

G7 donors continue to be the most significant public funders. Canada, the European Commission, France, Germany, Italy, Japan, the United Kingdom and the United States increased their contributions, most by 15% or more. On the implementers side, 24 African countries, most of them first-time donors, committed to contributing USD 76 million to the upcoming replenishment cycle, increasing the number of donors from this region by 13 and more than doubling the amount of pledges. Overall, implementer countries pledged USD 137.8 million, compared to USD 56.5 million during the Fifth Replenishment, an increase of 144%.

On the private sector side, commitments reached the amount of USD 1.04 billion, with an average increase of pledges of 16% compared to the Fifth Replenishment as a whole (or more than 25% compared to pledges from the Fifth Replenishment Conference in Montreal). It is important to note that USD 97.2 million of the commitments made by some private sector donors will be directed toward specific Global Fund initiatives or grants as per the provisions of the Amended and Restated Policy for Restricted Financial Contributions (GF/B41/06). A detailed account of these contributions is presented in table 1. Additionally, a number of important in-kind and co-investment commitments were made by 11 additional donors, including Project Last Mile, Google, Microsoft and Thomson Reuters.

Partner	Pledge	Restriction	Area of work
CIFF	25.0	Catalytic	Differentiated service delivery—HIV self-testing
Rockefeller	15.0	Catalytic	Data science for community health
Takeda	5.0	Catalytic	Integrated childhood and maternal care
Goodbye Malaria	5.5	Catalytic	MOSASWA cross-border initiative
Comic Relief	17.0	UQD	TBC (50% malaria)
Rotarians Against Malaria	7.2	UQD	Malaria South East Asia
Cordaid/CRS/Plan International	11.0	UQD	Malaria West Africa/HIV interventions in DRC
Co-Impact	5.0	UQD	Community health in Liberia
Other	6.5	UQD	Vietnam, Malaria and TBD

**Table 1.** Restricted financial contributions stemming from private sector pledges in the Sixth Replenishment (in USD millions)

#### *New and returning donors*

The Sixth Replenishment was characterized by a significant increase of new and returning public (additional 21) and private donors (additional 8). Table 2 provides a breakdown of the categories of donors based on the historical engagement with the Global Fund.

**New public donors** include Armenia, Azerbaijan, Burundi, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Eswatini, Madagascar, Mali, Malta, Niger, Ukraine and the United Arab Emirates. The six **returning public donors** are, namely, Burkina Faso (2001-2005), Cameroon (2006-2007), Greece (2001-2005, 2006-2007 and 2008-2010), Monaco (2001-2005), Rwanda (2011-2013) and Spain (2001-2005, 2006-2007 and 2008-2010). Both categories combined, new and returning, amount to pledges in the order of USD 235.1 million.

**New private sector donors** include Co-Impact, Cordaid, Human Crescent, Le Nu Thuy Dong, Plan International and Plan Canada, Rockefeller Foundation, Rotary Australia World Community Service, and YMCA and Y's Men International, with one **returning donor**, the Children's Investment Fund Foundation. Combined pledges from new and returning private sector donors amount to USD 71.7 million.

Category of donors	New	Returning	Total
Public	15	6	58
Private (financial contributions)	8	1	16
Private (in-kind and co-investments)	11	-	11

**Table 2.** Number of donors according to their historical engagement with the Global Fund

## What are some of the key factors that allowed the Global Fund to achieve a successful replenishment?

The Sixth Replenishment of the Global Fund proved to be a successful and highly collaborative exercise supported by diverse and highly engaged partners. The results of this process demonstrate the strength and reach of the Global Fund public-private partnership model as it was able to convene and mobilize a variety of public donors, implementer countries, civil society advocates, key populations, people living with the three diseases, private sector organizations, influencers, champions and technical partners.

Some key success factors for the Sixth Replenishment are as follows:

1. **Political leadership of the host country**, particularly of President Emmanuel Macron, in mobilizing and bringing together heads of state and government, celebrities, activists and the public around the resource mobilization and programmatic aspirations of the Global Fund. France lent its political leadership and diplomatic network to create an enabling environment for the process, amplifying the messages of the Investment Case, issuing a call to action with a world-renowned celebrity, raising global awareness during the UN General Assembly, and engaging directly with donors at the highest levels during the replenishment campaign and the pledging conference.
2. **Sustained engagement with donor countries**, ensuring that relations with the Global Fund remained active and vibrant vis-à-vis fluid and fast-changing political and economic contexts. The Secretariat continued cultivating relationships with new and returning OECD-DAC donors and increased dialogue with emerging economies to secure first-time or increased pledges for the 2020-2022 cycle.
3. **A robust and evidence-based investment case**. The Global Fund supported its replenishment narrative and messaging on a solid, clear and well-articulated investment case, whose different assumptions were crafted in collaboration with technical partners such as WHO, UNAIDS, Stop TB, and RBM Partnership to End Malaria. These assumptions specified the number of lives to be saved and the resources needed—domestic and international—to ‘step up the fight,’ building on a long track record of delivering results (as shown again in the [2019 Results Report](#) published in September 2019), and looking prospectively at the collective mobilization required to ensure that efforts to eliminate HIV, tuberculosis and malaria remained on track.
4. **Champions in different donor and implementing governments** (including heads of state or government, ministers and members of parliament) supporting global health causes and/or influencing legislative debates on the importance of tackling HIV, tuberculosis and malaria and achieving health-related development goals. The engagement of India as the host of the Preparatory Conference in New Delhi in February 2019 was essential to showcase the political and financial commitment of implementing countries and emerging economies in defeating the three diseases, particularly tuberculosis. This meeting created significant momentum for the replenishment campaign and encouraged further political involvement throughout the year. The involvement of champions was pivotal to guarantee that funding toward the Global Fund was preserved or increased, and that, in some cases, domestic resources were mobilized to strengthen national health systems. This last point will continue to be a central component of engagement with implementer countries.
5. **Active and robust civil society and community mobilization** through the deployment of differentiated regional and national campaigns and strategies to influence key decision-makers; create public awareness on the impact of HIV, tuberculosis and malaria; and increase the visibility of the Global Fund mandate. Such mobilization included the presence of advocates in high-level political fora, discussions with diplomatic representations and legislative bodies, and other public events. The leadership of the Global Fund Advocates Networks (GFAN) and Friends of the Global Fund organizations was at the core of these efforts. Community voices were also central to the success of the pledging Conference in Lyon.
6. **Increased engagement of private sector organizations and high-net-worth individuals** through more diversified collaboration mechanisms, facilitated by the Amended and Restated Policy for Restricted Financial Contributions ([GF/B41/06](#)) and a reframed strategy that facilitated alliances with like-minded partners. During the Sixth Replenishment, the number of

partnerships, donors and prospective collaborations increased significantly, showing the potential of these relationships as frameworks to increase multi-sector collaboration, strengthen service delivery and cultivate new and out-of-the-box solutions to fight HIV, tuberculosis and malaria.

7. **Highly-visible and effective campaign and media presence.** The Global Fund achieved record results through the Step Up the Fight campaign and the systematic presence of the organization’s principals and partners in mainstream media—3,800 media hits in 82 countries. Central to this success was the participation of 50 international celebrities and influencers as ambassadors of the campaign and their endorsement of the Global Fund’s messages, particularly the “Open Letter to Seven-Year-Olds” launched in July 2019 and signed by more than 100,000 people. Similarly, public engagement with Global Fund social media channels reached record highs, including 1.4 million impressions in Twitter during the campaign.
8. **Important outreach, campaigning and amplification by key influencers.** This included the support of the Executive Office of the UN Secretary-General, heads of UN and technical agencies, partner organizations and well-placed advocates from diverse backgrounds in key markets or on central themes.
9. **Effective use of global, regional and local events for advocacy purposes.** Several high-level political events and platforms provided opportunities for the Global Fund partnership to showcase its results, overall contributions to the SDGs, and engagement with various cross-cutting issues. The active participation of the Global Fund in multilateral processes—including G7, G20, African Union and UN inter-governmental meetings—and multi-sector spaces such as WEF, Women Deliver and other disease-specific events, allowed the organization to further explore and amplify replenishment themes.
10. **High level outreach and representation by Board leadership.** The expertise and active involvement of the Chair and Vice-Chair of the Board facilitated politically sensitive consultations and ensured high level presence of the Global Fund in important replenishment-related conversations. Similarly, Board members and their constituencies supported outreach to their capitals and advocacy events worldwide.
11. **Well-managed risks and the implementation of planned mitigation measures.** Over the course of the replenishment campaign, the Secretariat ensured that risks were managed as planned. This essentially entailed the close monitoring of the political and economic situation of key donors, the appropriate positioning of the Global Fund agenda in a highly competitive international milieu, the mobilization of advocates in different geographies, a continued push to demonstrate the value proposition of the organization through results-focused communications, and the management of exchange rate fluctuations and other financial risks. The Secretariat also focused on achieving a more much diversified donor base and calibrating due diligence and risk management processes, particularly when vetting private sector partners.
12. **Highly competent team in charge of managing relations with donors, partners and the media.** Surge staff and additional funding was secured to deliver on the increased workload and requirements generated by the replenishment. These resources allowed the team to effectively conduct additional and very sensitive donor management and advocacy tasks, reach out to potential donors in key markets, organize the pledging conference, and launch complex marketing and communications products. A re-assessment of the resource requirements of managing a broader and more sophisticated donor base is needed to ensure that Global Fund resource mobilization and communications are well resourced and remain competitive.

## What are the next steps in terms of process reporting?

The Secretariat will work over the next quarter in completing a lessons learned exercise on the replenishment process to document the experience and determine how learnings can further streamline the Global Fund resource mobilization processes in the future. Immediate next steps include mobilizing the additional USD 100 million with the support of President Macron, Bill Gates and Bono. Work has started on negotiating and signing donor contribution agreements to ensure that the Global Fund is strongly positioned to fully convert pledges.

As a preliminary conclusion, the Secretariat acknowledges that the Global Fund partnership must continue building on the momentum created around the Sixth Replenishment to not only ensure that the organization steps up the fight during the next grant cycle to save 16 million lives, but that it also prepares the ground for successful subsequent replenishments to achieve the goal of ending the epidemics in 2030.

## Annex 1 – Full list of pledges (in millions) in alphabetical order

### Public donors

Country	Currency	Pledge in original currency	USD equivalent
Armenia**	USD	15.00	15.00
Australia	AUD	242.00	163.77
Azerbaijan**	USD	20.00	20.00
Belgium	EUR	15.00	16.54
Benin	USD	1.00	1.00
Burkina Faso*	USD	1.00	1.00
Burundi**	USD	1.00	1.00
Cameroon*	XAF	3,000.00	5.00
Canada	CAD	930.40	699.44
Central African Republic**	XAF	600.00	1.00
Chad**	USD	1.00	1.00
China	USD	18.00	18.00
Congo**	USD	5.50	5.50
Congo (Democratic Republic)**	USD	6.00	6.00
Côte d'Ivoire	USD	1.50	1.50
Denmark	DKK	350.00	51.69
Equatorial Guinea**	EUR	2.00	2.21
Eswatini**	USD	6.00	6.00
European Commission	EUR	550.00	606.63
France	EUR	1,296.00	1,429.44
Germany	EUR	1,000.00	1,102.96
Greece*	EUR	0.05	0.06
India	USD	22.00	22.00
Ireland	EUR	50.00	55.15
Italy	EUR	161.00	177.58
Japan	USD	840.00	840.00
Kenya	USD	6.00	6.00
Korea (Republic)	USD	25.00	25.00
Kuwait	USD	6.00	6.00
Luxembourg	EUR	9.32	10.27
Madagascar**	USD	1.00	1.00
Mali**	EUR	0.50	0.55
Malta**	EUR	0.30	0.33
Monaco*	EUR	0.40	0.44
Namibia	USD	1.50	1.50
Netherlands	EUR	156.00	172.06
New Zealand	NZD	2.50	1.58
Niger**	USD	1.00	1.00
Nigeria	USD	12.00	12.00

Norway	NOK	2,040.00	223.81
Portugal	EUR	0.75	0.83
Qatar	USD	50.00	50.00
Rwanda*	USD	2.50	2.50
Saudi Arabia	USD	30.00	30.00
Senegal	USD	1.00	1.00
South Africa	USD	10.00	10.00
Spain*	EUR	100.00	110.30
Sweden	SEK	2,850.00	290.16
Switzerland	CHF	64.00	64.54
Thailand	USD	4.50	4.50
Togo	USD	1.00	1.00
Uganda	USD	2.00	2.00
Ukraine**	USD	0.08	0.08
United Arab Emirates**	EUR	50.00	55.15
United Kingdom	GBP	1,400.00	1,716.00
United States	USD	4,680.00	4,680.00
Zambia	USD	5.50	5.50
Zimbabwe	USD	1.00	1.00
<b>Total</b>			<b>USD 12,735.57</b>

#### Private sector donors

Partner	Currency	Pledge in original currency	USD equivalent
Bill & Melinda Gates Foundation	USD	760.00	760.00
Catholic Relief Services	USD	3.00	3.00
Children's Investment Fund Foundation*	USD	25.00	25.00
Co-Impact**	USD	5.05	5.05
Comic Relief	USD	17.00	17.00
Cordaid**	USD	5.00	5.00
Goodbye Malaria—Sonhos Social Capital / Relate Trust ZA	USD	5.50	5.50
Human Crescent**	USD	10.00	10.00
Le Nu Thuy Dong**	USD	1.00	1.00
Plan International and Plan Canada**	CAD	3.90	2.93
Product (RED)	USD	150.00	150.00
Rockefeller Foundation**	USD	15.00	15.00
Rotary Australia World Community Service and Rotarians Against Malaria**	USD	7.20	7.20
Tahir Foundation	USD	30.00	30.00
Takeda Pharmaceutical	JPY	564.00	5.25
YMCA and Y's Men International**	USD	0.50	0.50
<b>Total</b>			<b>USD 1,042.43</b>

## Others

Partner	Currency	Pledge in original currency	USD equivalent
Other public and private sector	USD	150.86	150.86
Commitments to be personally secured by Bill Gates and Bono, with the active support of France	USD	100.00	100.00
<b>Total</b>		<b>USD 250.86</b>	

## Sixth Replenishment (total)

Donor category	Currency	Pledge
Public donors	USD	12,735.57
Private sector	USD	1,042.43
Others	USD	250.86
<b>Total</b>		<b>USD 1,042.43</b>

## Nomenclature:

(\*) Returning donors

(\*\*) New donors

## Annex 2 – Summary of committee input

**5<sup>th</sup> Audit and Finance Committee, October 2017.** The AFC requested the Secretariat to submit a paper to the Board in November 2017 providing updates on the implementation of the Action Plan and planning for the sixth replenishment.

**6<sup>th</sup> Audit and Finance Committee, March 2018.** In response to the Secretariat's update on the implementation of the Action Plan for ongoing Resource Mobilization, the AFC emphasized the importance of developing a Framework for Resource Mobilization for the sixth replenishment, including an analysis of return on investment and risk.

**10<sup>th</sup> Audit and Finance Committee, July 2019.** The AFC commended the Secretariat for the work it has done in securing early pledges and implementing a solid and successful replenishment campaign. It was reaffirmed that keeping the momentum to achieve the investment case goals is critical at this stage. The Secretariat indicated that it will continue reaching out to some exiting donors to reconsider the possibility of contributing and to smaller and/or emerging ones to join the Global Fund family. Regarding domestic resource mobilization, this task will require sustained focus and will continue after the replenishment.

## Annex 3 – Relevant past decisions

Relevant past decision points	Summary and impact
<p><b>GF/B38/DP07: Resource Mobilization Action Plan (November 2017)<sup>2</sup></b></p>	<ol style="list-style-type: none"> <li>1. The Board acknowledges the update on resource mobilization (GF/B38/19), and in that context, the Global Fund’s sixth replenishment as a key strategic priority.</li> <li>2. The Board requests its new Executive Director to develop a framework for a Resource Mobilization Action Plan (2018-2019), in consultation with partners and the Audit and Finance Committee, for the 39th Board meeting, followed by a detailed and fully costed plan to the relevant Committees in June 2018.</li> </ol>
<p><b>GF/B36/DP03: Continuing resource mobilization efforts throughout the replenishment cycle<sup>3</sup></b></p>	<ol style="list-style-type: none"> <li>1. Notes the successful launch of the Global Fund Fifth Replenishment (2017-2019) and the importance of continuing to actively engage to mobilize increased resources throughout the replenishment cycle.</li> <li>2. Requests that the Secretariat, under the oversight of the Audit and Finance Committee, develop an ambitious action plan for attracting additional resources which may include providing additional pledging opportunities for donors and maintains visibility of both unfunded quality demand and progress in achieving impact, to be shared with the Board at its 37th meeting, and subsequently reported on by the Audit and Finance Committee to the Board on a regular basis.</li> </ol>

<sup>2</sup> Please refer to <https://www.theglobalfund.org/board-decisions/b38-dp07/>

<sup>3</sup> Please refer to <https://www.theglobalfund.org/board-decisions/b36-dp03/>