

Report of the 47th Board Meeting

GF/B47/22
47th Global Fund Board Meeting
10-12 May 2022, Geneva, Switzerland

Board Decision

Purpose of the paper: This document presents the Report of the 47th Board Meeting, held in hybrid format from 10-12 May 2022.

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This document presents the Report of the 47th Global Fund Board Meeting, held in hybrid format from 10-12 May 2022.

Agenda items. The Meeting comprised of fourteen (14) agenda items and one (1) executive session.

Decisions. The Report includes a full record of the eight (8) Decision Points adopted by the Board (Annex 1).

Documents. A document list is attached to this Report (Annex 2). Documentation from the 47th 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 47th Board Meeting can be consulted [here](#).

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

Decision

The Report of the 47th Board Meeting was approved by the Board of the Global Fund via electronic vote on 12 August 2022 (GF/B47/EDP09).

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Agenda Item 1: Board Meeting Opening

1. The Board convened in Geneva on 10-12 May 2022 for the 47th Board Meeting, following pre-meeting sessions held on 5 May. A closed session of the Board was held on 11 May. Quorum was confirmed on all meeting days. The Chair of the Board, Donald Kaberuka, welcomed participants and guests.
2. The Board Chair noted this was the first time the Board had met physically after two years due to the ongoing COVID-19 pandemic which has had a significant impact on the Global Fund's work, countries and individuals around the world. He extended a special welcome for colleagues joining the meeting virtually, noting the meeting proceedings were adapted to ensure their meaningful participation. He also acknowledged the work of the Global Fund during the COVID-19 crisis, highlighting how innovation has helped the Global Fund continue serving and providing for populations in need. He thanked Board Members who have demonstrated flexibility and ongoing commitment to their work, in support of those who benefit from the Global Fund mission.
3. In 2021 the Global Fund celebrated 20 years since it was founded. The Board Chair stressed that over time, the Global Fund has made a difference in terms of lives saved, as well as having a positive impact on societies and economies. The Global Fund is currently raising resources towards its 7th Replenishment and will implement its 2023-2028 Strategy in a new and volatile landscape marked by global disease, as well as economic, political and social shocks that are likely to be prolonged. The Board Chair reflected on what he described as a confluence of crises, demonstrated by the devastation and suffering from the Ukraine war, as well as the ongoing pandemic, and the large number of populations still unvaccinated against COVID-19. Tackling these crises requires global solidarity and leveraging multilateralism. The Chair expressed hope for continued strong support for the Global Fund during its 7th replenishment campaign, despite the challenges being faced. In closing his remarks, the Chair reflected on the future, noting that as the world enters a new phase of deepened inequality - with global solutions having limited impact - the Global Fund must play a lead role on proposing solutions to future pandemics.
4. The traditional candle of remembrance to commemorate victims of AIDS, tuberculosis, and malaria was lit by a representative of the Eastern Europe and Central Asia Constituency, Mišo Pejčković. Mr Pejčković remembered the loss of friends and colleagues who are no longer with us due to the three diseases that continue to devastate families and societies, exacerbated by the COVID-19 pandemic, as well as the impact of the ongoing conflict in Ukraine. Andriy Klepikov of the Developing Country NGOs constituency made a short statement, speaking of the impact of the conflict on the ground in Ukraine, on people with the three diseases, and underlining the need for global solidarity with Ukraine.

Decisions

5. The Board unanimously approved the decisions to appoint Mišo Pejковиć, from the Eastern Europe and Central Asia Constituency as rapporteur for the 47th Board Meeting ([GF/B47/DP01](#)) and to adopt the agenda of the meeting ([GF/B47/DP02](#)).

Agenda Item 2: Update from the Executive Director

Presentation

6. The Executive Director (ED) opened the session by welcoming the Board to the Global Health Campus, recognising the milestone of meeting again in person. He proceeded to share reflections on key strategic priorities and progress, placing his remarks within the broader global context. Reflecting first on the ongoing pandemic, the ED noted that by mitigating the impact of COVID-19, the Global Fund has also been able to mitigate the consequences for HIV, TB and Malaria, and the partnership can be proud of the role it has played. Regarding the new Strategy, following its adoption at the previous Board meeting, the ED underlined the current focus on effective delivery. Looking ahead to the Seventh Replenishment, the ED noted that the foundations have been laid for the replenishment campaign, with deep appreciation to the United States Government for hosting the conference, and for the continued support of the Heads of State of the Democratic Republic of Congo, Kenya, Rwanda, Senegal and South Africa, who jointly hosted the preparatory meeting held in February 2022.
7. Reflecting on current priorities and challenges, the ED shared three observations for Board reflection. First, he noted the importance of maximizing impact of the current grant cycle as a foundation for the next strategy period, observing that the partnership is currently implementing more than ever before, and reflecting on the challenges of focusing on both implementation and preparation for the next strategy cycle. Second, he emphasized the need to continue the fight against COVID-19, which continues to cost lives and disruption in the countries in which we invest, and to consider the Global Fund's long-term strategy for the COVID-19 Response Mechanism (C19RM). Third, with regards to the war in Ukraine, the ED underlined the need for the organization to continue to play its part to mitigate impact on health and drew attention to the need to remain alert to the indirect ramifications of the conflict elsewhere, especially on the most vulnerable populations. In a volatile global context, strong collaboration and maintaining a keen sense of the collective mission remain critical.
8. Outlining the challenge of competing demands on resources, the ED underlined that the Seventh Replenishment will be more critical than ever: the partnership will not get back on track for the 2030 goals for HIV, TB and Malaria without reaching the target of USD 18 billion. The ED closed his presentation by thanking everyone for their commitment and support over recent years, extending thanks not only to the Board but also to the people on the ground who are delivering health services and taking personal risks to do so.

Board Discussion

9. The Board extended gratitude and appreciation to the ED, the Secretariat and all in-country contributors for the strong work and commitment to advance the Global Fund mission during the COVID-19 pandemic. The Board underlined the importance of the following areas in their feedback to the ED.
- i. **Replenishment:** The Board showed strong support for the replenishment campaign. Board Members stressed the importance of the replenishment in today's world, applauded the United States Governments leadership, and showed commitment to playing their role. Not raising USD 18 billion is not an option, since it will undercut all our collective efforts, putting us further off track and sending a dangerous message around de-prioritization of HIV, TB and Malaria worldwide.
 - ii. **Pandemic Preparedness:** The discussion acknowledged that the global health architecture is shifting at a fast pace. The Board stressed the need for the Global Fund to play a role in preparations for future pandemics and it should be a priority to create clarity on this with civil society communities and implementing country partners involved in discussions. Learnings from the Access to COVID Tools - Accelerator (ACT-A) should be addressed, and the Global Fund should be actively engaged in discussions on this at G7, G20, and other fora.
 - iii. **Communities, right and gender:** Commentary emphasized that CRG is critical in today's world with key populations in communities experiencing the most impact. Therefore, the Global Fund needs to have a continuous focus on achieving better health for all. Human rights should also receive higher priority and deeper consolidation expertise within the Secretariat. These issues were also highlighted in the Multilateral Organisation Performance Assessment Network (MOPAN) findings.
 - iv. **Sustainability:** Board Members underlined the need for attention to sustainability in this rapidly changing world, with a suggestion that the Global Fund considers purchasing more local commodities from emerging facilities.
 - v. **Challenging operating context:** Board Members showed their support to Ukraine. Different shocks in the world, including increased inflation, will require the partnership to work together more effectively than ever before.
 - vi. **Strategy delivery:** The Board emphasized that this Board Meeting will be a critical step, with key decisions in preparation for the implementation of the new strategy. .
 - vii. **Risk management:** One concern was raised regarding issues identified in OIG reports, noting the need for progress to mitigate and manage critical risks for the Global Fund, including those related to fiduciary risk and preventing sexual abuse and harassment.

Executive Director's Response

10. The ED thanked the Board for their very rich and insightful comments. Acknowledging that most comments received were related to specific topics later on the agenda, the ED suggested addressing them in their respective sessions.

Agenda Item 3: Update on Preparations for Strategy Implementation

Presentations

[GF/B47/09/A - Update on Strategy Implementation Preparations](#)

[GF/B47/09/B - Update on Strategy Implementation Preparations](#)

[GF/B47/09/C - Resilient and Sustainable Systems for Health \(RSSH\) implementation for the new Strategy](#)

11. The Board Vice Chair opened the session thanking the Secretariat for the hard work so far on Strategy implementation preparations and commended the SC for its leadership role in oversight. The Vice-Chair outlined that the Board has requested greater clarity on (i) how the Board can support planning for Strategy implementation, (ii) what the Secretariat needs to do to operationally prepare, and (iii) the engagement timeline between the Board, Committees, and Secretariat over the coming months to bring Strategy implementation elements together.
12. The SC Chair summarized the informal SC calls on Strategy implementation held in February 2022, where interlinkages between strategic objectives and the ten key changes were discussed, as well as key levers to deliver change.
13. The Secretariat summarized the main points from the informal Board retreat on Strategy implementation held on May 8 2022, which included an overview of the ten key shifts in the new Strategy, and a deep dive on RSSH. Themes that emerged included the need to balance prescriptiveness and country ownership, and the importance of linking Strategy implementation with Monitoring and Evaluation (M&E) frameworks. The Secretariat emphasized the importance of Strategy implementation planning and the significant cross-team effort under way on this. The Secretariat requested the Board's support in reaching the US\$18 billion replenishment target to enable full scale operationalization of Strategy implementation plans.
14. The Executive Director acknowledged the Board's desire to dive deeper in specific strategic areas and outlined an indicative timeline for Board and Committee engagement on Strategy implementation in 2022-2023. He asked Board Members to share thematic areas on which they would welcome further discussions with the Secretariat.

Board Discussion

15. Overall, the Board sought clarity on how all the pieces of the Strategy implementation fit together holistically and chronologically, and requested that the RSSH presentation format (e.g. explanation of what has worked vs. not worked, and what actions have been considered but discarded) be used for future discussions on other key changes. Board Members expressed appreciation for the Secretariat's openness and transparency on implementation planning which strengthens trust, and welcomed future Board retreats to continue this discussion.
16. **Greater emphasis on implementation support and Technical Assistance (TA).** A suggestion was made that the balance between prescriptiveness and country ownership is best made when implementing countries are involved in the decision-making and negotiation. Thus, implementing countries may be best placed to decide where TA should be deployed to meet their needs.. Multiple constituencies supported making Africa CDC a formal partner of the Global Fund, given the strong role it played during the COVID-19 pandemic. A request was made to hold future discussions on grant implementation and resource optimization in challenging operating environments.
17. **Implementation of equitable next-generation market shaping.** This topic generated considerable Board interest, as it will play an important role in accelerating introduction of new products in a sustainable way. Discussions noted that this area of work requires further in-country engagement with Ministries of Health and Finance.
18. The Board recognized that the **Global Fund partnership model underlies successful implementation of the Strategy**, and requested that future Board discussions cover how various partners can build on each other's work and be held accountable for their roles in Strategy implementation.
19. **Communities, Rights, and Gender (CRG) to increase in visibility.** Describing CRG as the "glue" of the Strategy, some constituencies pushed for direct funding for communities and elevating dual-track financing to demonstrate political commitment to the new Strategy putting communities at the center. Requests were made that CRG topics and their interlinkage with the other key shifts be put on Board agendas in the future and for Global Fund operational planning to account for structural obstacles that lead to weak participation of communities and key and vulnerable populations.
20. Board constituencies discussed **various ways of improving CCMs to enable achievement of grant objectives**, including increased capacity on priorities such as gender, RSSH, communities, and pandemic preparedness. Changing CCM composition to be more inclusive of community voices was also raised.

21. Several Board Members raised **data transformation and digitalization** as a significant area of future need with implications for equity and human rights. A suggestion was made to increase support for countries to bolster data collection and improve monitoring.
22. Board Members expressed **appreciation for the clarity and comprehensiveness of the RSSH** presentation at the Board retreat. Some constituencies called for reconsidering the integrated funding request and creating incentives for countries to submit them. There was also Board interest in how the **health financing / blended finance lever** could be applied to mobilize domestic funds for RSSH.

Secretariat Response

23. The Secretariat noted Board Members' list of topics warranting follow-up, deep-dive discussions (outlined in Action Points below), and the preference for framing future presentations on key issues around "what we keep vs. what we discard."
24. The Executive Director noted the need to group topics in a way that ensures quality of discussion, recognizing that CRG topics may be best discussed as individual elements of gender, health rights, and health equity in order to address the unique challenges that each face. He noted that the partnership model discussion also becomes concrete when addressed in the context of operational work such as TA, HTM incidence reduction, or health financing, and suggested taking a specific and tangible approach to exploring these issues in future Board discussions.

Conclusion and Action Point¹

25. **The Board and Secretariat will remain closely engaged on Strategy Implementation discussions this year.** Regular Board calls and/or a potential Board retreat will be held for thematic discussions on key strategic priorities, and to review and discuss how key levers can be used to achieve effective implementation by the Secretariat, CCMs and partners. Key priority topics that emerged from Board discussions included: CCM evolution, next-generation market shaping, health financing, gender, communities, and pandemic preparedness and response.
26. **Broad and early engagement with Board on M&E and KPI frameworks**, including in conjunction with SC and AFC discussions in July and October, before the November Board meeting. This engagement will encompass key strategic priorities across HTM, RSSH, equity, human rights and gender; and will include discussion of how to best communicate transparent, routine performance and results data, including at the country level.
27. **Priority agenda setting with new Committee leadership** to ensure effective decision-making and oversight on critical topics required for Strategy implementation, including updated or new policies,

¹ Including, as relevant, from other portions of the Board meeting.

strategic guidance on policy application, or changes in key processes or aspects of the business model.

28. **Broader discussion on the role of partners**, to complement the discussion about their role in delivering specific priorities, including:
 - i. Evolution of the global health architecture; and
 - ii. Contributions by partners on how they see their roles and accountabilities.
29. **For the November Board**, discussion and approval of the OPEX budget, including implications for Strategy implementation, identifying priorities for incremental investment, and resourcing for areas newly included in OPEX (e.g. CCMS, Evaluation).
30. **In November, the Secretariat will also present a fuller narrative/overview on how OPEX**, including M&E/KPIs, Secretariat operations, and country allocations and Catalytic Investments come together, following the outcome of the replenishment.

Agenda Item 4: Revision of Eligibility Policy

Presentation

[GF/B47/02 - Revisions to the Eligibility Policy](#)

31. The SC Chair noted that the review of the Eligibility Policy was presented to the SC at its 15th, 16th and 17th meetings in March, July and October 2021 respectively. The Chair noted that at its 18th meeting in March 2022 the SC unanimously recommended the proposed revisions to the Eligibility Policy, which included changes to the data periodicity for the malaria disease burden metric for upper middle income (UMI) eligibility and a change in the terminology with respect to the “Small Island States Exception” for UMIs. The Chair also informed the Board that the SC also unanimously recommended that the Board approve the exceptional eligibility of the six (6) Transition Funding components from the 2020-2022 allocation period for an additional allocation of Transition Funding for the 2023-2025 allocation period.

Board discussion

32. Some Board constituencies raised concerns around the continued use of Gross National Income (GNI) p.c. as the sole metric for determining economic capacity and requested further information on how the limitations of this metric will be addressed. One constituency requested that the World Bank review how it determines GNI p.c. and noted the linkages between eligibility and catalytic funding, particularly for multi-country grants. Other constituencies noted that the Eligibility Policy is designed to focus on countries with the greatest disease burden and least ability to pay, and that there have been studies conducted in the past to find a good replacement for GNI p.c. to measure the ability to pay, without much success.

33. The Board thanked and acknowledged the Secretariat and the technical partners for their work on the review of the Eligibility Policy.

Secretariat Response

34. The Secretariat thanked the Board and the SC for their feedback and guidance on the Eligibility Policy review and acknowledged the contribution of the technical partners in reviewing the disease burden metrics for UMI country eligibility.
35. On the continued use of GNI p.c., the Secretariat referred to the external review that was commissioned, which examined nineteen different economic indicators for potential use in the eligibility policy and the allocation methodology and reminded the Board that the review concluded that GNI p.c., while not perfect, was the most suitable one. The Secretariat also clarified that it would look at the other indicators as part of the qualitative adjustments process for the 2023-2025 allocation cycle.
36. The Secretariat also noted that the Eligibility Policy is expansive, with 127 countries eligible for at least one component in the 2022 Eligibility List.

Decision Point and Conclusion

37. The Board approved the revised Eligibility Policy ([GF/B47/DP03: Approval of the Revised Eligibility Policy](#)), with two abstentions from Communities and Latin America and the Caribbean.
38. The Board unanimously approved the decision to make the six (6) 2020-2022 Transition Funding components exceptional eligible for an additional allocation ([GF/B47/DP04: Approval the Eligibility of the 2020-2022 Transition Funding Components for an Additional Allocation](#)).

Agenda Item 5: 2023-2025 Allocation Methodology

Presentation

[GF/B47/03 - Allocation Methodology for the 2023-2025 Allocation Period](#)

39. The Board Chair opened the session by emphasizing that the intent of the 2023-2025 allocation methodology decision point i is to ensure that funding is allocated to align with disease burden and economic capacity.
40. The SC Chair summarized the SC discussions and recommendations, which prepare the allocation methodology for significantly higher funding levels. The SC Chair reminded the Board that the revised global disease split for the 2023-2025 period was approved by the Board in November 2021, and that the SC had approved the technical parameters at its 17th meeting in March 2022, which include disease burden and economic capacity indicators. The SC Chair acknowledged that the allocation methodology is largely maintained from the previous period, with some refinements to the scale-up and paced reduction step in order to better achieve impact with higher resources and to better position the Global Fund to deliver the new Strategy. The SC Chair also noted that the qualitative adjustment

factors would be presented to the SC for approval in July 2022, and that the next SC will be responsible to oversee an independent review of allocation methodology to inform a more holistic discussion for the 2026-2028 allocation period.

41. The Secretariat then presented an overview of the allocation methodology. It emphasized that the SC's approval of technical parameters was based on the recommendations of technical partners on disease burden and the recent independent review of economic capacity indicators.
42. The Secretariat recalled that the qualitative adjustment process is intended to adjust formula allocations to account for epidemiological or other country-specific factors that cannot be fully accounted for in the formula. The Secretariat explained that it intends to build on the factors applied in the previous period, while taking a more in-depth look at country economic capacity to complement GNI p.c. with indicators that better capture the financial context, especially those that have been significantly affected by the COVID-19 pandemic. It noted that the global consequences of the conflict in Ukraine would also be an important consideration. The Secretariat thanked constituencies for their input to date and welcomed any further input on qualitative adjustment factors ahead of the SC July 2022 meeting.
43. The Secretariat emphasized that the updated allocation methodology prepares for a strong replenishment, but remains appropriate for lower funding levels, considering the challenging contexts that countries face regarding HTM funding compared to the previous period. It also noted that over the last three allocation cycles, the methodology has delivered on its aim to align with burden and economic capacity while accounting for the needs of key and vulnerable populations.

Board Discussion

44. The Board thanked the Secretariat and commented on the following issues:
 - i. **RSSH:** Several constituencies expressed the need to increase RSSH investments, improving the way funds are used to focus more on system strengthening and for better integration across diseases. Others noted the significant financing needs in areas such as human resources for health, laboratory, data, community, and supply chain systems – all of which are vital in different ways to the three diseases.
 - a. It was noted that, during SC discussions, some constituencies had put forward a proposal for a minimum share of RSSH investments given the ambition of the new Strategy. However, other constituencies noted that the use of funds to drive RSSH impact is outside the scope of the allocation methodology decision point, and that all available policy levers should be considered as part of the continued Strategy implementation work on RSSH.
 - b. There was appreciation for the in-depth discussion on RSSH at the Board retreat on 8 May 2022, with emphasis on the need to continue such work in order to better invest in

RSSH to deliver the Strategy. One potential lever raised was to conduct country-specific RSSH need-assessments prior to funding requests to help inform the review process.

- ii. **Proposed change to scale-up and paced reduction:** There was general support for the update to the allocation methodology and confirmation that its technical merit remains robust. There was concern regarding whether the proposed change would result in a longer timeline to fully align the allocations to those with the greatest burden and least ability to pay, although many acknowledged that the decision point was based on a systematic review of the methodology at the SC, and that the updated methodology continues to align funding with disease burden and economic capacity, as in the last three allocation periods. However, several constituencies emphasized the need to have a holistic review of the allocation methodology to enable the SC and Board to have a more comprehensive discussion for the 2026-2028 allocation period.
- iii. **Communities and key and vulnerable populations:** In the context of TB financing needs, system strengthening and resource allocation in general, there was strong support for prioritizing community health systems in funding decisions.
 - a. Formal and informal community systems, and issues of in-country inequity related to gender and human rights, were highlighted as essential areas that have not received the necessary level of financing, and that there is an important need to track progress in these areas. There was emphasis on the continued coverage gaps and inequities among key and vulnerable populations.
 - b. It was noted that RSSH and CRG must be integral parts of a holistic discussion on how allocations are used. At the same time, the financing needs in these areas cannot be funded through allocations alone and implementing countries should be requested to set-aside resources to address these important issues.
- iv. **Economic capacity and in-country inequity:** Some constituencies expressed concern about the continued use of GNI p.c. in the allocation formula and emphasized the need to consider other indicators that better capture government fiscal strength as well as other inequities within countries. Some members emphasized that economic capacity should take into consideration the economic and health impact of COVID-19 on countries, particularly in the regions that were disproportionately affected.
- v. **Qualitative adjustment process:** There was broad agreement that the process as implemented in previous periods should continue, and that the SC's planned review in July would entail further development and refinement of the qualitative adjustment factors. It was noted that the qualitative adjustments are intended to refine, not replace, the allocations produced by the formula, and that there are other policy levers to continue driving impact such as unfunded quality demand.

Secretariat Response

45. The Secretariat recalled that the decision point is a transparent data-driven one and has been recommended by technical partners. It also responded to specific issues raised:

- i. **RSSH:** The Secretariat noted that financing needs are extremely high and that Global Fund resources alone cannot fill these gaps. It emphasized that RSSH is indeed a reinforcing objective

in delivering the HIV, TB and malaria goals, with community, rights and gender as well as community systems well-aligned in the Strategy. Concerning funding decisions at the country level, the Secretariat expressed full willingness for further discussions, while noting that there is currently nothing that prevents countries from investing fully in health systems as long as the funding requests pass TRP, GAC and Board review in delivering HIV, TB and malaria impact. The Secretariat reiterated that the allocation model aligns the financing to where there is highest burden and lowest economic capacity.

- ii. **Proposed change to scale-up and paced reduction:** The Secretariat noted that KPI3 continues to demonstrate that financing is well-aligned to burden and economic capacity. It confirmed that an independent and comprehensive review of the allocation methodology will be conducted for the next allocation period, and that there would be early engagement with the SC on the planning of such a review.
 - iii. **Economic capacity and in-country inequity:** The Secretariat confirmed that it will review potential inequity indicators, and while building on previous qualitative adjustment factors, it will improve economic capacity considerations based on the recommendations of the 2021 independent review to better complement the use of GNI p.c. in the formula.
 - iv. **Communities and key and vulnerable populations:** In terms of in-country inequities currently considered in the allocation methodology, The Secretariat explained that an important part of the qualitative adjustments is the key populations adjustment for HIV allocations in low prevalence settings – noting that HIV technical partners have recommended to continue with the key populations adjustment to address the fact that the burden indicator in the allocation formula, namely the number of PLHI , does not adequately capture the needs of vulnerable populations in such contexts.
 - v. **Qualitative adjustment process:** The Secretariat expressed appreciation for the inputs received so far on the qualitative adjustment factors, and noted that these inputs would need to be considered along with other important criteria, such as the continuity of essential services, for a holistic approach to adjustments to the formula-derived allocations
46. **Decision making process.** The France Constituency requested attribution of the following comment: “While being in favor of the decision point, France reiterates that the current compartmentalized nature of decision-making for the preparation of the new funding cycle is unsatisfactory. This approach must be revised for the next cycle, and be initiated without delay.”

Decision Point and Conclusions

- 47. The Board approved the decision point ([GF/B47/DP05: Allocation Methodology 2023 – 2025](#)) with two abstentions from Eastern and Southern Africa, and West and Central Africa.
- 48. The Secretariat will plan for a timely and comprehensive review of the allocation methodology for the 2026-2028 allocation period.

Agenda Item 6: Update on the Monitoring & Evaluation and KPI Framework Development

Presentation

[GF/B47/15 - Update on M&E and KPI Framework Development](#)

49. The Vice-Chair of the Board opened the session by thanking the SC, the TERG and the Secretariat for their work developing a new Monitoring & Evaluation (M&E) Framework including Key Performance Indicators (KPI) to monitor the implementation of the 2023-2028 Global Fund Strategy. The Board discussed a set of principles for the development of future KPIs based on lessons-learned from the current KPI Framework as well as the functioning of the Independent Evaluation Panel, approved in November 2021. As a next step, the Board will (i) receive an update on the transition to the new independent evaluation model, and (ii) have an opportunity to consider how the next M&E Framework and KPIs will support the broader efforts on preparing for and evolving Strategy implementation.
50. The SC Vice-Chair thanked the Secretariat for the structured consultation process on the next set of KPIs and for the progress towards establishing the new independent evaluation function. Developing strong and effective M&E Framework and KPIs is a priority of the SC. The informal M&E working group has notably supported the SC in providing input into the process.
51. The Secretariat provided an update on the development process for the new M&E Framework and KPIs. In conjunction with SC and AFC discussions scheduled for July and October 2022, the Board will have additional opportunities to review the draft Framework prior to their final approval at the Board Meeting in November 2022. In response to written constituency statements, the Secretariat clarified the following:
- i. Whilst the ambition is to have KPIs at the outcome level, for some measurement areas where it may not be operationally feasible (e.g., due to the absence of relevant indicators or data collection systems) evaluations and other measurement approaches (e.g., more granular indicators, partners indicators) will be necessary.
 - ii. The processes to identify KPIs and to develop the Modular Framework have complemented each other. For the disease service delivery indicators that are similar to the current KPI 2 indicators, the measurement consultations have been used to ensure KPI and Modular Framework indicator definitions are aligned. Work is under way to embed gender equality and health equity into the M&E Framework and KPIs.
 - iii. Indicators to measure improved Global Fund engagement with Communities and how their needs are served are being considered as KPI candidates.

- iv. An interim output-level KPI on innovation (e.g., introduction of new products) is being considered with the possibility of being replaced mid-Strategy by an outcome-KPI aiming to measure uptake of new products in-country.
52. The Secretariat further noted that the new M&E Framework will be a live framework with the possibility for review at mid-Strategy.
53. Lastly, the concept of developing a “strategy performance portal” was introduced, allowing the Board to access data related to KPI results and, possibly, results generated across the rest of the comprehensive M&E Framework. The Board was requested to provide comment on whether this type of portal approach would be useful for reporting and oversight purposes.

Board Discussion

54. The Board acknowledged the effective and consultative process undertaken by the Secretariat to develop the next M&E and KPI Frameworks and noted the following:
- i. **Board Engagement during KPIs and M&E Framework development.** The limited time and importance of engaging the Board during the process to develop the next M&E Framework and KPIs was noted. Additional opportunities were welcomed for Committee and Board engagement in June and July 2022, to provide input ahead of final Board approval in November 2022.
 - ii. **Modular Framework indicators.** One constituency noted that (i) since modular framework indicators will be decided in July 2022 in advance of the KPIs, it would be helpful if modular indicators could then be adapted to ensure alignment given their importance in framing incentives for countries and (ii) modular indicators should be refocused and rebalanced from measuring absorption towards quality.
 - iii. **Focus on measuring Communities, Gender equality, Human Rights and system strengthening initiatives.** The Board highlighted the importance of measuring progress made in improving gender equality, removing human rights barriers, meaningfully engaging Communities in design and delivery of programs, and tracking impact of investments in RSSH. One constituency encouraged the Secretariat to follow up on OIG recommendations in its report (GF-OIG-19-023), relating to monitoring and improving human rights related investments, and measuring behavioral changes regarding human rights, gender and equity.
 - iv. **Measuring Partnerships.** The Board stressed the importance of measuring the effectiveness of the Partnership, including the Global Fund’s engagement under the SDG 3 Global Action Plan, in the overall M&E Framework whilst acknowledging that it may not necessarily be feasible to have quantitative indicators in this area. The importance of allowing implementer countries to evaluate the partnership model and working with Partners was also stressed.
 - v. **Data.** To limit the data and reporting burden on countries, the Board requested the Secretariat, - wherever possible, to make use of existing indicators developed by technical partners and from the Global Fund Modular Framework. It was also noted that to monitor performance and use data for

decision making, there is a strong need to improve data systems both in-country and at Secretariat level.

- vi. **Strategy Performance Portal.** Several Board constituencies appreciated the concept of the Portal. However, it was suggested that the Secretariat continue to provide a synthesized report highlighting key areas of underperformance. It was also recommended to consider how the Portal could be useful for a wider audience beyond the Board. Some Constituencies suggested that elements of Strategic reporting should be provided in writing for Board attention. For example, underperformance issues should be discussed in Board sessions, with measures taken to address issues captured in background materials, and linkages highlighted to the Operational Risk Register.
- vii. **Linkages Across Indicators.** For the next Strategy, since contributory objectives are mutually reinforcing, a good overview of their linkages and responsiveness between the measurement of the various areas of the Global Fund Strategy is critical to avoid gaps. The indicators need to align with the existing country-level metrics and leverage the existing work of technical partners as much as possible, to avoid increasing the burden on countries.
- viii. **Attribution.** The M&E Framework should be sensitive to both the contribution and attribution elements of the Global Fund on country programs. This is important to demonstrate progress, as well as to recognize that the Global Fund contribution is delivered against a backdrop of investments by governments in health systems.

Secretariat Response

55. The Secretariat thanked the Board for their inputs and addressed the following points:

- i. **Board engagement:** the Secretariat will bring to the Committee meetings in July the full list of proposed KPIs and will explore how to ensure the Board has ample opportunities to provide feedback and guidance on these indicators before the 48th Board meeting in November 2022.
- ii. **Focus on measuring Communities, Gender equality, Human Rights and system strengthening initiatives:** the Secretariat noted the strong interest in measuring efforts to remove human rights and gender-related barriers and engagement with communities and mentioned that indicators for these and other areas are under development and are expected to be shared for feedback in July. The Secretariat also noted the mention of a forthcoming paper by a Global Fund Advocates network that elaborates measurement priorities for evaluating community system strengthening which can be referenced in developing the relevant KPIs.
- iii. **Measuring Partnerships:** the Secretariat expects to provide an update to the SC and Board in July 2022 on the Partnership consultation being held in June, noting that it is unlikely to result in a specific KPI. The TERG is currently undertaking the scoping work for developing the Country Steered Review which is an independent feedback mechanism for country partners and to be taken forward by the new Evaluation Function.
- iv. **Data:** as one of the Secretariat's "KPI development principles" (i.e., integration), it is ensured that - where possible - proposed KPIs are using indicators already available in grants (e.g., "modular framework") or from partners.

- v. **Strategy Performance Portal:** the Secretariat welcomed the suggestion to broaden accessibility to a wider audience while noting further consideration is needed on its operational feasibility. A summary report on Strategy performance will continue to be provided to the Board, and monitoring underperformance will remain a critical part of the future Strategy Performance Report.
- vi. **Modular Framework indicators.** Technical partners participated and were strongly engaged in the consultations to define potential KPIs and measurement approaches. Guidance and indicators that will be used in the modular framework, as well as proposed KPI candidates, integrate technical partners' feedback and align to their definitions and guidance. Through the new KPI Framework, the aim is to ensure that at least the disease impact, outcome and service delivery indicators match with what is used in grants and by Partners.
- vii. **Linkages Across Indicators.** Future KPIs will be based to the extent possible on indicators already reported in-country.
- viii. **Attribution.** The Secretariat acknowledged the feedback from the Board.

Conclusion

- 56. The Vice-Chair of the Board thanked the Board and the Secretariat for the substantive discussion and inputs.
- 57. The Secretariat will share a draft M&E and KPI Frameworks with the Board, AFC and SC in July.

Agenda Item 7: Annual Report and Opinion of the Ethics Officer

Presentation

[GF/B47/14 - Global Fund Ethics Office Annual Report and Opinion 2021](#)

- 58. The Vice-Chair of the Board opened the session by recognizing the contribution of the former Ethics Officer, Nick Jackson, and welcoming the new Ethics Officer, ad interim, Malika Parent Aït Mohamed , ad interim.
- 59. The EGC Vice-Chair made introductory remarks, highlighting the progress in the maturity of the Global Fund's ethics and integrity program, and stressing the importance of closing the remaining AMAs.
- 60. The Ethics Officer, ad interim, provided an update on the 2021 Annual Report and Opinion as presented by her predecessor, and highlighted progress made in the areas of Protection from Sexual Exploitation, Abuse and Harassment (PSEAH), Anti-Corruption, Integrity Due Diligence and the CCM Code of Conduct Strategic Initiative. The Ethics Officer, ad interim, informed the Board of the prioritization of efforts towards the closure of AMAs and concluded with an observation on “real” versus “perceived” conflicts of interest as a topic to further reflect on.

Board Discussion

61. The Board welcomed the new Ethics Officer, ad interim, and extended gratitude and appreciation to the former Ethics Officer and work accomplished by the Ethics Office and the EGC.
62. The Board commented on the following topics:
- i. **PSEAH:** acknowledged the establishment of the PSEAH Coordination Unit (PCU) and encouraged the Global Fund to maintain a victim/survivor-cantered approach in investigating SEAH cases.
 - ii. **PCFC:** Supported the commitments and efforts undertaken to combat fraud and corruption and recommended working with country organizations to achieve more sustainable results.
 - iii. **AMAs:** Raised concerns about the long overdue AMAs, requested clarification on the main challenges causing delays and the measures taken to close the AMAs.
 - iv. **CCMs and Implementers:** Commented on the need to pursue efforts on country/implementer level initiatives and encourage PRs and SRs to implement Global Fund's ethics and integrity standards; proposed that CCM members' adherence to the Code of Conduct be an essential component of assessing the overall CCM performance for future grants.
 - v. **Psychological Safety:** Shared concerns about psychological safety which needs to be improved in the Secretariat and asked about the measures put in place for improvement.

Secretariat Response

63. The Secretariat took note of the Board's comments and provided the following responses:
- i. **AMAs:** The delay in completing long-standing AMAs under the remit of the Ethics Office is primarily due to their de-prioritization in favour of PSEAH and country work, as well as limited capacity. The remaining AMAs, which require coordination and alignment with multiple Secretariat and OIG teams, have been actively reprioritized and are nearing completion. Also, the complexity and required time for closing AMAs vary from one to another. Some specific examples were shared in relation to PSEAH: the Ethics Office successfully closed 4 out of 5 AMAs stemming from the Ghana investigation. The remaining AMA relates to SEAH risk management. The endorsed plan will satisfy and exceed the scope of AMA 4, which is projected to close by the end of 2022.
 - ii. **CCMs and Implementers:** Efforts will be pursued to support implementers strengthen their ethics and integrity programs and to scale-up country level accountability. The feasibility of integrating the adherence to the Code of Conduct as an evaluation component of the CCM performance for future grants will be explored.
 - iii. **Psychological Safety:** The Secretariat outlined its priority action plan consisting of three pillars to improve psychological safety in the Secretariat: 1) work to strengthen culture and leadership, including psychological safety survey and trainings; 2) process improvement with respect to channels to speak up, in collaboration with relevant teams (e.g. Ethics Office, Human Resources) and the Ombudsman to ensure staff can easily find the channels to speak up and get support ; and 3) communication and collaboration, including through sessions to discuss

issues and ask questions, efforts to strengthen ties among staff, leadership, the staff counsellor and ombudsperson. .

Conclusions

64. To conclude the session, the EGC Vice-Chair provided an update on the Ethics Officer recruitment process, and recognized the ability and commitment of the Ethics Officer ad interim to carry forward the ethics and integrity program through the transition.

Agenda Item 8: Catalytic Investments for the 2023-2025 Allocation Period

Presentations

[GF/B47/04 Revision 1 - Catalytic Investments for the 2023-2025 Allocation Period](#)

[GF/B47/04 \(Supporting document\) - 2023-2025 Catalytic Investments Proposals](#)

65. The Board Chair opened the session noting that that an amendment to the Decision Point of the Board document GF/B47/04 – Catalytic Investments for the 2023-2025 Allocation Period had been received. and handed over to the SC Chair to introduce the amendment.
66. The SC Chair highlighted that the Catalytic Investments are an important, additional lever to address mission critical needs in the delivery of the Global Fund's Strategy, and noted that:
- i. Extensive SC feedback has been incorporated into the proposed Catalytic Investments put forward to the Board.
 - ii. In response to SC concerns, the Decision Point recommended by the SC includes the consideration of TERG and TRP recommendations and available performance data in the operationalization of Catalytic Investments, as well as engagement with partners.
 - iii. The SC has recommended to cap Catalytic Investments at US\$1.1 billion in scenarios where sources of funds for allocation are US\$16 billion and over.
 - iv. A timely amendment to the Decision Point was submitted jointly by France, Communities, Developed Country NGOs and Latin America and the Caribbean. The SC was consulted and expressed its comfort with the revised Decision Point put forward to the Board, which takes into account the concerns raised in the original amendment but remains within the intent of the original SC recommendation.
67. The amended Decision Point provides the SC with flexibility to shift funding across the different priorities of the RSSH/Cross cutting section - decreases limited to 15% of any one priority and excluding the Emergency Fund - based on input to be provided by the Secretariat in July. In addition, it strengthens language around the operationalization of the Catalytic Investments, adds an update on catalytic operationalization by the Secretariat to the SC in July, and caps the delegated authority of the Secretariat regarding increasing amounts to the Emergency Fund at 50%.

68. The Secretariat thanked the SC and partners for their input and feedback on the proposed Catalytic Investments. In response to questions from Board constituencies about the trade-offs between Catalytic Investments and country allocations, the Secretariat clarified that the key principle is to ensure sufficient increases in country allocations. Noting that in the lower funding scenarios, the amount set aside for Catalytic Investments allows for scale-up of allocations in countries with the highest disease burden, while mitigating negative impact on the rest of the portfolio.

Board Discussion

69. The Board commented on the following points:

- i. **Decision Point:** Some constituencies welcomed the amended Decision Point, appreciating the flexibility provided to the SC to shift funding across RSSH and cross-cutting priorities, as well as the additional language related to transparency in investment decisions. Other Board constituencies emphasized that they were supportive of the original SC recommendation to the Board, noting that the SC had reached a good level of comfort after extensive discussions. Board Members asked for clarification on how the flexibility provided to the SC and Secretariat would be exercised.
- ii. **Priorities:** Board Members broadly expressed support to the priorities for Catalytic Investments, noting the following:
 - a) RSSH and cross-cutting priorities: Some Board Members raised concerns about the reduction in funding for RSSH and human rights resulting from the SC-recommended US\$1.1 billion cap, and emphasized the need to better protect funding for these priorities in lower replenishment scenarios. The Board asked the Secretariat to consider whether there are evidence-based, well-justified options for refinement of the RSSH and cross-cutting areas for Catalytic Investments and present any such options to the SC in July, including additional information on lessons learned, linkages between the priorities and Strategy implementation, rationale behind the proposed amounts, implementation planning, and monitoring. The Board emphasized that the priorities are closely linked, noting the dependency between the NextGen Market Shaping and the disease priorities to enable equitable introduction of health products, and particularly highlighting the critical need to address emerging antimalarial drug resistance in Africa. Some Board Members asked the SC to protect or increase the NextGen Market Shaping priority, as lower amounts would limit the ability to introduce new products, thereby risking delivery on the HIV, TB and malaria catalytic priorities as well as the Strategy's aims more broadly.
 - b) TB: While expressing support for the increases in catalytic funding for TB in higher funding scenarios, the Board discussion emphasized that all available levers need to be used effectively and that additional funding will be needed to reduce deaths from TB, referring to GF/B46/DP04.
 - c) CCMs: Board Members underlined the importance of CCM strengthening and inquired about the foreseen budget for the CCM Evolution initiative, as well as the need for greater CCM oversight and ownership related to Catalytic Investments.

- d) **Emergencies:** Some constituencies expressed desire to discuss the engagement of the Board in the Global Fund's work related to emergencies.
- iii. **Modalities:** Some Board Members raised concern about the decrease in funding for multi-country approaches, underscoring the modality's importance to address certain priorities including human rights and key populations. Commentary noted that multi-country grants are the only modality to address key priorities in countries ineligible for Global Fund allocations, and that the TERG has recommended to maintain such grants as a priority for areas that add value.
- iv. **Performance:** Board Members requested comprehensive monitoring of the performance of Catalytic Investments, with clear metrics and more frequent reporting. It was noted that performance data, particularly from Catalytic Investments that have continued over multiple cycles, has not been shared and reviewed systematically to date.
- v. **Strategy implementation:** The Board emphasized that Catalytic Investments are one of many levers available to deliver on the Strategy, and that all levers should be complementary and clearly linked. Board Members noted that country allocations are the main vehicle to deliver on the Strategy's aims and that therefore priorities should be integrated into the grants as much as possible. It was highlighted that greater harmonization between Catalytic Investments and country grants is needed, both in terms of processes and priorities

Secretariat Response

- 70. **Clarifications regarding the Decision Point:** The SC has the authority to decrease the amount of any priority in the RSSH/cross-cutting section in table 1 by up to 15% (except for Emergency Funds) and reallocate the decreased amounts to another priority in this group at the 19th SC meeting in July 2022 informed by input from the Secretariat. In the operationalization stage of the 2023-2025 allocation period, the Secretariat can increase or decrease the amount for any approved priority up to 15%.
- 71. **Priorities:** The Secretariat acknowledged the Board's input on the importance of strengthening CCMs and expressed openness for a more in-depth discussion on the topic.
- 72. **Modalities:** The Secretariat noted that the multi-country modality is used for a range of different priorities in different contexts and that further discussions on which modality most effectively addresses the catalytic priorities will take place as part of the operationalization phase.
- 73. **Performance:** The Secretariat acknowledged the Board's comments related to monitoring and evaluation and committed to come back to the Board on this matter as part of the bi-annual updates on the operationalization of Catalytic Investments.
- 74. **Strategy implementation:** The Secretariat noted that the Strategy delivery process comprehensively considers all available levers to address the Strategy's priorities, with Catalytic Investments prioritized as a lever if priorities cannot be addressed through country allocations alone – noting that Catalytic Investments aim to catalyze impact in the much larger country allocations

Decision Point and Conclusions

75. The Decision Point ([GF/B47/DP06 Catalytic Investments for the 2023-2025 Allocation Period](#)) passed with 19 votes in favor and one abstention from Private Foundations.
76. The Secretariat will provide the SC, at its 19th meeting in July 2022, with:
- i. An update on the operationalization of Catalytic Investments and planned next steps.
 - ii. An assessment on whether to recommend refinements to the Catalytic Investment amounts for the RSSH/cross-cutting priorities of table 1 to GF/B47/DP06.

Agenda Item 9: OIG 2021 Annual Report and Annual Opinion on Governance, Risk Management and Internal Controls

Presentation

[GF/B47/07 - The Office of the Inspector General 2021 Annual Report](#)

77. The Board Vice-Chair opened the session on OIG matters and Annual Opinion, thanking the Inspector General and her team for progress made against the OIG workplan. The Vice-Chair stressed the importance placed by all stakeholders including the Board on the OIG's independence and role in providing assurance, especially in relation to the quality of the Global Fund's systems and investments, and as the third line of defense in the Risk Framework.
78. The AFC Vice-Chair highlighted the importance of the OIG Annual Opinion and its careful consideration by the AFC. The OIG has worked under difficult circumstances in the COVID-19 environment while being able to adapt its processes and procedures in a manner the AFC has felt comfortable with. During this time, the OIG team delivered on its workplan, followed up on AMAs, gathered adequate evidence and applied due processes according to the standards in their reporting.
79. The Inspector General underscored that there is nothing that came to OIG attention in 2021 that indicates material weaknesses in Global Fund governance, risk management or control processes which would significantly compromise the overall achievement of its strategic and operational objectives. The OIG had sufficient resources to effectively discharge its mandate, and there was no interference in the OIG's work in terms of determining the scope of its activities, the work performed, or the communication of its conclusions.
80. The nature of the challenges faced by the OIG continues to change. The Inspector General outlined the following in particular
- i. Investigating sexual exploitation and abuse presents particular challenges, notably for timelines, given the different nature of the work compared to other investigations, and as the OIG cannot simply demand to speak to survivors. In addition, OIG does not stop an investigation in the absence of a named survivor – which most other organizations do – but perseveres to ensure all avenues are exhausted.
 - ii. The absence of privileges and immunities also presents an important risk for the OIG and the safety of OIG officials, in particular in the context of their involvement in sensitive investigations related to abuse, fraudulent and corrupt practices. While the OIG follows due professional standards in its audits and investigations, the lack of P&I increases the risk of the Global Fund

facing legal claims as a result of OIG work. It also hinders the OIG's ability to conduct its activities, especially in countries where there are pending legal claims against the Global Fund.

81. Outlining key findings of the OIG's work in 2021, the Inspector General noted the following key findings: (i) Global Fund programs are delivering impact but are hampered by pandemic disruptions and existing challenges; (ii) C19RM has evolved considerably but tests the limits of the GF model; (iii) under pressure supply chains are disrupting programs; (iv) fraud risk in programs is increasing and evolving. Increasing impact will require tackling several key challenges: (i) timely implementation, (ii) increased differentiation, (iii) evolving risk management, and (iv) ensuring accountability across the partnership.
82. Last, sharing some internal reflections, the Inspector General informed the Board that the OIG's triennial external assessment was conducted at the end of 2021. Both the Audit and the Investigations Unit received the highest rating of "generally conforms".

Board discussion

83. The Board thanked and congratulated the OIG for their efforts and Annual Report, and commented on the following issues:
- i. **OIG independence:** The Board appreciated the OIG's work and the need for it to remain staunchly independent. Such independence provides vital assurance and confidence to implementers, CCMs, committees, and the Board.
 - ii. **Prevention from sexual exploitation and abuse (PSEA):** Clarification was sought regarding (i) whether the rise in reports was related to people being more comfortable speaking out, or other factors, (ii) whether Principal and sub-recipients are properly incentivized to report SEA, and (iii) whether the OIG is staffed to cope with the rise in reports. The Secretariat was urged to increase its focus on PSEA particularly in high-risk environments, to implement the Policy on Combating Fraud and Corruption, and to provide updates on the PSEA framework's implementation.
 - iii. **COVID-19 Response Mechanism:** Discussion requested elaboration on how low absorption for funds awarded under this mechanism can be addressed. One member suggested considering a possible extension of the C19RM mechanism, expressing support for the OIG's recommendation to launch an in-depth study of its governance.
 - iv. **Agreed Management Actions:** With only 20% of AMAs implemented by their due date during 2021, working on their timely closure was noted as a priority.
 - v. **Risk management:** It was noted that OIG, as the 3rd line of defence, identified issues relating to fraud, despite risk mitigation efforts by the 1st and 2nd lines. The Board requested insight into the Risk Department's efforts to strengthen 1st and 2nd line risk mitigation, in light of constituency comments that CCMs and civil society are experiencing resource challenges to provide proper oversight.
 - vi. **Human impact of fraud:** In addition to quantifying financial losses, comments noted that OIG reports could also document the human impact of wrongdoing on affected communities.

- vii. **Supply Chain:** The discussion noted the importance of addressing SC and health product issues. The need to reinforce partnership for supply chain issues; as ambition on RSSH is scaled up, will be even more central.
- viii. **UN Single Audit Principle:** With the OIG unable to audit UN agencies, there needs to be a system to learn from the UN's own audits and investigations.
- ix. **Value for Money (VFM) reviews:** Board members welcomed the OIG's first VFM review..
- x. **Fraud and corruption.** Requests were made for an update on efforts and progress made on anti-corruption, fraud and policy mechanisms, with concerns about policies' timely implementation; recommendation to embed management of ethics and risks into core operational processes, and to prioritize open related AMAs.

OIG Response

84. The Inspector General addressed the comments and questions raised by the Board noting:

- i. **OIG independence:** The Board's strong support for an independent OIG was welcome. The OIG's independent model is considered the best in its class. OIG's independence and objectivity allows the office to express its concerns, highlight internal challenges and areas for improvement, and push for a strong organizational response to issues such as sexual exploitation and abuse.
- ii. **Sexual exploitation, abuse and harassment.** While reporting is on the rise, the number of reports cannot be correlated to the level of actual abuse. The Ethics Office updated Codes of Conduct to provide more clarity on Principal and Sub-Recipients being properly incentivized to report SEAH. Combined with OIG outreach, this has resulted in implementers now reporting to OIG regularly. The Secretariat has made significant efforts on SEA, including by increasing resources, and showing greater clarity on how ethics and integrity issues are handled. Most risks are at country level. The OIG cannot define an 'appropriate' level of reporting but welcomes the increase. The OIG has recently recruited staff with SEA interviewing skills.
- iii. **COVID-19 Response Mechanism:** Absorption levels for C19RM funding are necessarily affected by the nature of the mechanism. The Global Fund model creates some inherent trade-offs for C19RM, for example speed of decision vs. robustness of decision, speed of approval vs. engagement with communities. Funding decisions are a balancing act and, in a pandemic, timely decisions sometimes had to be made in the absence of complete information or guidance.
- iv. **Agreed Management Actions:** OIG acknowledges the delays and the current pressure on the Secretariat to continue delivering on the Global Fund's mission during COVID-19. The outstanding AMA on Integrity Due Diligence is a fundamental step for understanding the risks and abilities of grant implementers. There is another long outstanding AMA, focused on reviewing accountabilities and responsibilities for handling ethics and integrity risks. Risks are mainly at the country level, where there is still a lot of work to do.
- v. **Human impact of fraud:** The OIG embraces the suggestion and will attempt to quantify this type of impact.

- vi. **Supply Chain:** Supply Chain challenges are one of the most critical aspects for the success of Global Fund programs, and the area where the Secretariat has the least control over. As part of the principle of country ownership, the Global Fund is wholly reliant on the quality of in-country systems but it has much less control over these activities.
- vii. **Single Audit Principle:** The key aspect is the quality of the UN assurance provider, as the main risk when entering into arrangements which limit OIG access.
- viii. **Value for Money reviews:** As part of its workplan, the OIG will perform VFM reviews which assess the results of Global Fund investments in terms of economy, efficiency, equity and effectiveness.

Secretariat response

85. The Secretariat further commented on the following:

- i. **OIG independence:** The Secretariat appreciates the fully independent partnership it has with the OIG, which is a very important part of the Global Fund model for assurance while offering opportunities to learn and improve.
- ii. **Prevention of sexual exploitation, abuse and harassment:** The Global Fund has zero tolerance for SEAH, and is deeply concerned by the cases described in the increase in reports. The Secretariat has invested significant extra resources to improve prevention of SEA across the partnership.
- iii. **COVID-19 Response Mechanism:** The Global Fund is currently operating in an emergency situation, with disrupted supply chains. For C19RM awards in the second part of 2021, absorption should be between 63% and 70%, with unabsorbed funds rolling over to the next period. The Secretariat is placing significant efforts to improve absorption and to reduce bottlenecks.
- iv. **Agreed Management Actions:** The Secretariat made deliberate decisions to delay some AMAs due to pressure on the Secretariat. Most AMAs require action at a country level with in-country partners often responsible for delivery of activities. COVID-19 has placed pressure on these in-country partners and progress on fulfilling AMAs has been hampered as a result. As the pressure on partners alleviates, progress will be accelerated on closing AMAs.
- v. **Risk management:** The goal of the risk framework is for the 1st and 2nd lines of defence to identify and mitigate risks, with the 3rd line maintaining an important oversight role. Whilst the 3rd line has identified issues with fraud, the three lines of defence model is largely effective at doing this. Ongoing improvements are being made to the risk framework to account for expected increases in risk levels. Risk appetite revisions were approved by the Board last year, in-country assurances have been strengthened, and additional monitoring mechanisms have been deployed, such as Spot Checks and Pulse Checks, to enhance oversight of what is happening within countries.
- vi. **Secretariat reporting to OIG:** The Secretariat performed a deep dive on Africa and the Middle-East to establish whether issues had not been reported to OIG, revealing one case of a country not reporting its findings upwards.

Conclusions

86. The Vice-Chair of the Board closed the session by thanking the Inspector General and Secretariat for the work done and for addressing questions from Constituencies.

Agenda Item 10: Risk Management Report and Annual Opinion of the Chief Risk Officer

Presentation

[GF/B47/20 - Risk Report and Chief Risk Officer Annual Opinion](#)

87. The Secretariat summarized the current operating environment, risk landscape, and progress made in managing and mitigating risks by leveraging adjustments made to risk appetite. The Secretariat highlighted that the trajectory of four risks stabilized in Q4 2021 (e.g, Program Quality – TB, Procurement, Accounting & Financial Reporting and Quality of Health Products), but also that risk trade-off decisions will need to continue to be made over the coming months. The Secretariat highlighted the anticipated challenges and key risk management priorities for 2022, as set out in the background document GF/B47/20.

Board discussion

88. The Board noted the risk trajectory assessment provided in the presentation and acknowledged that whilst risk levels are starting to stabilize, the timeline to reach target risk levels will continue to be influenced by uncertainty in the operating environment including disruptions to the global economy and supply chains. In addition, the Board:
- i. Highlighted the importance of maintaining risk oversight for individual countries, especially for those outside of the list used to determine aggregated risk ratings for the organizational risk register.
 - ii. Noted the importance of country ownership of risks and requested the risk matrix be shared with countries including CCMs and PRs.
 - iii. Sought clarity on how consideration is being given to balancing the need for more immediate risk mitigation with the benefits of longer-term country capacity building.
 - iv. Sought greater insight into Fraud and Fiduciary and In-Country Supply Chain risk management at a country level.
 - v. Requested more information on what impact recently established data sources are having on monitoring and oversight.

Secretariat Response

89. The Secretariat grouped the questions and comments and responded in three parts, outlining the following:
- i. There is a consistent risk management approach in place for individual countries. Whilst aggregate data is used to calculate overall risk levels, a risk assessment is conducted for each

country. This is captured in a risk matrix. The model is to share this risk matrix and other assurance tools with CCMs and PRs. To manage risks within countries, the preference is to strengthen country capacity and accept that risks may materialize in the interim period. If a risk is unacceptably high, additional controls may be introduced while country capacity is being strengthened.

- ii. Disruptions to global and in-country supply chains are expected to continue, and that risk management approaches are tailored to address the unique challenges of individual supply chains across countries. At an aggregate level, In-country Supply Chain risk is expected to improve as capacity is strengthened.
- iii. Improved Monitoring and Oversight (M&O) is enabling more informed and consistent risk trade-off decisions to be made through Country Portfolio Reviews and other forums. This is bringing further stability to the risk profile. Strengthened LFA assurances are starting to provide learnings and Supply Chain & Health Services Spot Checks, and Pulse Checks, will start to show progress and change over time as additional data is collected, by quarter, during 2022. M&O data collection tools will continue to be refined to strike the right balance between maximizing visibility whilst ensuring implementers are not over-stretched.

Agenda Item 11: Governance: Mandates and Tenure Decisions

Presentation

[GF/B47/05 - Revision to the Board Leadership Terms of Reference](#)

[GF/B47/06 – Revision 1 - Governance Action Plan: Leveraging the Role of Committees](#)

- 90. The Board Chair opened the session noting the session would cover two EGC recommendations. Specifically, recommendations to (i) extend the Board Leadership tenure from two to three year terms, starting in May 2023, and (ii) extend Committee Membership tenure from two to three years, starting in May 2022, and introduce specific revisions to the Charters of the three Standing Committees of the Board.
- 91. On the extension of the Board Leadership tenure to three years, the EGC Chair emphasized this recommendation is based on good governance principles from continuity of leadership through key institutional cycles (e.g. replenishment and strategic development), leveraging experience, reducing transition and process burden and enhancing trust to enable a strong foundation for relationship building with the Board over the longer period. This proposal was informed by recommendations of the external governance performance assessment, lessons from the past Board Leadership Nomination Committee, feedback from previous Board leaders and benchmarking with other international organizations, as well as consultation with constituencies. The EGC Chair acknowledged and thanked the Board for the feedback and support throughout the consultation processes, and noted that the proposal is supported by an approach to individual performance assessment recently adopted by the EGC through the revised Governance Performance Assessment Framework. The EGC Chair

recognized the extended service of the current Board Chair and Vice Chair in exceptional circumstances during the Covid-19 pandemic, and comments from Constituencies that such flexibilities also be considered in any future special circumstances, as well as the importance of a timely selection process to identify the next Board Leadership pair.

92. On the Committee Charters review covering term length and revisions to mandates, the EGC Chair noted that the proposal included an amendment proposed jointly by Communities, Developed Countries, NGOs, Eastern Southern Africa, France, LAC and West and Central Africa constituencies, to (i) bring more clarity on the existing Strategy Committee's role to recommend for Board approval the monitoring and evaluation framework, and (ii) note that the EGC will consider whether a more comprehensive review of the Committee mandates may be required, during the next EGC term. The EGC Chair recalled the key aspects of the proposal, including moving from a two to three-year committee term being highly recommended as key structural change to enhance continuity, leverage expertise and experience, and reduce process and transition burden.

Board discussion

93. The Board voiced support for the recommendations, commended the EGC for the comprehensive work and explanation, and commented on the following issues:
- a. **Strategy implementation:** some members reflected on the importance of (i) continuing the dialogue with the Board on strategy implementation matters, including the role of the SC and AFC, (ii) assessing whether the SC charter should be further revised in relation to its role for strategy implementation during the next EGC term, and (iii) clarity as to which policies fall within the SC mandate and when or whether these may warrant further review.
 - b. **Risk oversight model at committee level.** Commentary underlined the importance of effective mechanisms to facilitate collaboration among committees, enabling the AFC to serve as lead committee for risk oversight taking into consideration SC and EGC inputs. In line with their respective mandates, the SC and EGC should continue to lead on the analysis, oversight and potential policy implications of relevant risks and mitigation actions, with the AFC and CG helping to coordinate oversight of cross-cutting issues and a holistic Global Fund risk profile.
 - c. **CCM oversight.** Several Constituencies noted the importance and cross-cutting nature of the CCM role to implement the next Strategy, and called for consideration of the appropriate role of the EGC with respect to oversight of CCM matters.
 - d. **Committee tenure, performance assessment and level of effort.** Members underlined that longer tenure must be supported and complemented by a robust performance assessment framework and processes, as presented and approved by the EGC. With longer terms, endeavours must continue to lower the level of effort and time dedicated to the Global Fund by governance officials while ensuring strong governance and oversight by the Committees. The EGC should also assess over time whether longer term leads to any unintended consequences.
 - e. **Committee representation and observers.** While the benefits of longer terms are recognized and supported by the Board, this change entails less frequent rotation in terms of Constituencies'

Committee representation. The observer modalities in the BCOP should therefore be revisited for constituencies not represented in a given committee to follow its deliberations, particularly for major workstreams.

- f. **EGC work on role of committees.** The EGC is encouraged to continue its work on leveraging the role of the three Standing Committees of the Board, including consideration of further revisions to their mandates. One Constituency suggested that this work should also re-consider current practice of EGC members serving in their personal capacity.
- g. **Explanatory notes.** Some Constituencies noted the Board would benefit from gaining greater understanding via explanatory notes on the committee mandates.
- h. **KPIs.** One constituency noted that while the revised SC and AFC charters are expected to bring clarity on which committee oversees which set of KPIs, and their respective mandates should be observed, the new mandates should not pre-empt which committee may be in charge of recommending certain new KPIs as the final M&E and KPI framework will be finalized and approved by the Board in November 2022, or how strategic reporting modalities may evolve.

EGC Leadership response

94. The EGC Chair thanked the Board for the support and comments received, including around responsibilities for CCM oversight, making sure that major cross-cutting issues are adequately led by the relevant committee taking into consideration feedback by the other committees, and leveraging the observer rules. As noted in the decision point, during the next EGC term the need for a more extensive revision of the Committee mandates will be assessed.

Secretariat response

95. The Secretariat provided the following additional clarifications:
- i. Under the new model for risk oversight at the Committee level, the SC and EGC will continue to oversee and advise on relevant risks within their mandates and provide inputs to the AFC for reporting to the board on a holistic view of the Global Fund risk profile. The CG will continue to play a coordination role to align work plans and ways of working to operationalize the risk new model.
 - ii. Content from the interpretative notes regarding committee mandates will be incorporated into onboarding materials for Governance Officials.
 - iii. Longer committee terms will reduce the burden of selection processes as well as transition and knowledge burden, as new committee members come on board in a complex governance environment.
 - iv. Regarding CCM oversight, currently the EGC's role relates to the institutional governance of the Global Fund. Since CCMs provide programmatic and in-country oversight, as well as more generally structuring the stakeholder engagement in country, the relevant guidelines and the policy level matters relating to CCMs come through the SC to the Board, and ethics related matters under the CCM Code of Conduct fall within the EGC remit. CCM oversight by the

Committees could be reconsidered as part of a future need assessment to revise committee mandates during the new EGC term.

Decision Point and conclusions

96. The Decision Points [GF/B47/DP07: Board Leadership Term](#) and [GF/B47/DP08: Leveraging the work of the Standing Committees](#) were unanimously approved by the Board.
97. The Board Chair thanked the Board for a constructive discussion and support to advance important governance workstreams and priorities. In relation to onboarding of new leadership and committee members, the Chair empathised the steep learning curve to understand the complexities of the Global Fund. The onboarding process is critical and takes effort to ensure governance officials can meet the expectations of their important roles.

Agenda Item 12: Update on Resource Mobilization and the Seventh Replenishment Campaign

Presentation

[GF/B47/21 - Update on Resource Mobilization and the Seventh Replenishment Action Plan](#)

98. The Secretariat thanked Board Members for their expression of support to the Seventh Replenishment and reiterated its appreciation for the guidance of Board Leadership and the AFC on resource mobilization matters. It emphasized that the partnership has proven to be resilient and adaptable in the face of the current global challenges, reporting that Sixth Replenishment pledges are on track and that the Global Fund has managed to raise unprecedented resources for C19RM.
99. Given pandemic constraints, including the inability to start in-person advocacy earlier, the Seventh Replenishment campaign has been shorter than expected. A successful Preparatory Meeting was held in February with five heads of state from Africa as co-hosts and this occasion served to launch both the Investment Case and the replenishment campaign. The Pledging Conference, to be hosted by the United States, is expected to take place in New York, most likely during the UN General Assembly high-level week. The Global Fund is deeply grateful to President Biden and the United States for their leadership in this process, and for including a USD 6 billion pledge commitment for the 2023-2025 replenishment cycle in their budget. The Secretariat reminded the Board that under a 1-to-2 matching principle, such a commitment is tied to the mobilization of USD 12 billion to unlock the full U.S. contribution.

100. The Secretariat is actively engaging with its advocacy ecosystem and Preparatory Meetings co-hosts, working alongside members of parliament in donor and implementing countries, participating in G7 and G20 processes, taking part in major inter-governmental forums and events, and reaching out to donors to create momentum on the replenishment campaign and ensure that the USD 18 billion target is achieved. The Secretariat is also intensifying its advocacy and resource mobilization efforts with the private sector. In parallel to these endeavours, the Secretariat indicated that it is actively monitoring risks and that its ability to mitigate them depends largely on the donors and partners that constitute the Global Fund's Board. It was underlined that the success of the partnership and its new strategy are directly linked to meeting the replenishment's target.

Board discussion

101. The Board:
- i. Thanked the United States for its exemplary leadership of this replenishment process and its record-setting early pledge of USD 6 billion. The U.S. Board Member noted that the U.S. pledge is designed to motivate other donors to increase their pledges significantly to ensure the Global Fund meets the USD 18 billion target. The United States is leveraging its diplomatic network to encourage both public and private donors to step up in support of the Global Fund at this critical time.
 - ii. Welcomed the Secretariat's resource mobilization efforts, including ensuring timely pledge conversion, and urged donors and partners to take a unified approach through a high-level push to meet the replenishment target. It stressed that allowing for the normalization of the loss of lives due to HIV, tuberculosis and malaria will create a sense of apathy towards the suffering of millions, especially the poorest and most vulnerable populations, and that de-prioritization of funding to the Seventh Replenishment will continue to jeopardize the partnership's progress over the last 20 years.
 - iii. Recognized that the Global Fund has shown consistent results through its unique model, saving millions of lives and making significant progress in the fight against HIV, tuberculosis and malaria, and in areas such as gender, human rights and health systems.
 - iv. Stated that the Preparatory Meeting was an important and strong first step on the replenishment process and served as a space to hear the voices of the Global South, also highlighting that the Investment Case, launched in this event, presents a strong argument and a solid ask.
 - v. Acknowledged the contextual pressures and competing priorities taking place in parallel with the Seventh Replenishment—namely, COVID-19 and the war in Ukraine—and reaffirmed the ability of the Global Fund to weather challenging circumstances and protect key and vulnerable populations, as demonstrated during the current pandemic.
 - vi. Encouraged the Secretariat to mobilize new public and private donors and partners, including in emerging markets, paying particular attention to the development of innovative financing mechanisms such as blended finance and the engagement of multilateral development banks.

With the creation of a Health Finance Department at the Secretariat, blended financing should be further explored. Similarly, the Board also encouraged the Secretariat to continue working with key partners to ensure cohesion across the global health architecture.

- vii. Showed appreciation for the addition of Secretariat capacity to support civil society and communities' engagement more effectively.
- viii. Expressed appreciation for the efforts towards refining strategy implementation arrangements.

102. During this session, the European Commission announced a pledge to C19RM for EUR 150 million in the context of the second Global COVID-19 Summit.

Secretariat Response

103. The Secretariat:
- i. Thanked Board members for their statements, and the European Commission for announcing a new C19RM pledge. The Secretariat will continue working on the diversification of our donor base and funding streams. The Health Finance Department is actively exploring innovative financing mechanisms and partnership.
 - ii. Reiterated that the Global Fund has demonstrated itself as the partner of choice when responding to crises. The partnership has also demonstrated its uniqueness by advancing human rights, gender equity and community leadership. The comparative advantages of the Global Fund are even more relevant in the current environment.
 - iii. Indicated that the Global Fund works, and is an exceptional mechanism to save lives, supported by a great partner ecosystem. It is unique and there is nothing like it in the global health space; key stakeholders are committed and care deeply about it. This is the moment to fight for what counts.
 - iv. Reminded the Board that budget allocation decisions for international development assistance are to be made by donor countries in the coming weeks, for which it is important to amplify the voices of communities and mobilize both public and private sector donors.

Concluding remarks

104. The Board Chair closed the session by explaining that, while the world is indeed experiencing a myriad of crises, the Global Fund must exercise agency to achieve its replenishment target. He indicated that crises are not an uncommon occurrence and should not lower the partnership's ambition, but rather increase it. In the great scheme of global resources and compared to the economic impact of the COVID-19 pandemic over the last couple of years, he added, USD 18 billion is not an unreasonable ask. The target is right and mobilizing the resources needed by the Global Fund should

be possible. Bearing in mind the impact of inflation and other macroeconomic factors, USD 18 billion is appropriate and reasonable as a floor for the Seventh Replenishment.

Agenda Item 13: Items discussed in writing

The Update from the Technical Evaluation Reference Group was discussed in writing. This section includes questions raised in Constituency Statements and answers by the Secretariat.

105. **Constituency commentary noted the following in response to the update from the TERG (paper reference), with many themes also picked up elsewhere on the Board Meeting agenda:**
- i. Broad reflections on the importance of a deeper understanding of the RSSH approach in order to strengthen health systems in areas related to the Global Fund investments.
 - ii. Some Board constituencies advocated for twenty percent (20%) allocation to RSSH for a country portfolio (as noted under the relevant agenda item).
 - iii. The importance of defining Key Performance Indicators (KPI) for RSSH and define cross-cutting RSSH investments.
 - iv. The need to review the broader Health Systems Strengthening (HSS) components of HIV/TB grants.
 - v. Interest in a deep dive around health financing levers.
 - vi. Recognition that coordination of Civil Society Organizations (CSOs), Community Based Organizations (CBOs) and Ministries of Health in RSSH is key for the agenda of HSS to be advanced and have an impact. Additionally, civil society streams of funding should be considered.
106. The TERG Secretariat provides the following written response to comments raised:
- i. The TERG is currently commissioning the RSSH mapping exercise which will examine how Global Fund investments are currently operationalized and whether they are cross cutting or disease specific. It will also measure the extent to which Global Fund's RSSH tracking approaches align with global and country approaches, estimating the total value and nature of cross-cutting investments, and assessing alignment to national priorities and systems.
 - ii. In addition to the RSSH mapping exercise being conducted by the TERG, the evaluation of Data-Driven Decision-Making, conducted jointly with an OIG audit, will provide key input for Board discussions.

Agenda Item 14: Closing of the Board Meeting

107. Noting that the Global Fund's success is heavily dependent on its staff and their strong commitment to its mission, the Board Chair first thanked Fady Zeidan for his contributions to the Global

Fund as General Counsel and Head of the Legal and Governance Department and welcomed his successor, Susie Rhee. Then, on behalf of the Board, the Chair recognized all Global Fund staff with the following statement:

- i. *“The Global Fund’s success depends on its staff’s hard work and commitment. They have amply demonstrated that in the last two years, keeping the Global Fund activities going in the midst of personal and professional challenges. As we end our first in-person Board Meeting since 2019, We, the Global Fund Board, would like to acknowledge how proud we are to have an organization with such dedicated staff. The Board would like to thank all staff for their dedication to making the Global Fund the best it can be despite the unique challenges the world has faced these last two years. The Board appreciates the commitment that every staff shares every day as they serve communities and people affected by HIV/AIDs, Tuberculosis, and Malaria. They have our full support. The Board”*

108. The Vice-Chair of the Board congratulated and welcomed the new Chairs and Vice-Chairs of the three Standing Committees, noting that the nominations process for the EGC Vice-Chair role had been closed. A presentation showing the Board and Committee's workplans with key priorities for the upcoming year was made available in the Governance Portal as part of the 47th Board Meeting documentation.

109. The outgoing AFC Vice-Chair thanked the Board for its trust and support, as well as the outgoing AFC Chair for his leadership and accomplishments during the past term. In the coming year, among other matters, the AFC should focus on priorities under the OIG workplan, closing long-overdue AMAs, how the Global Fund can have the highest impact on the ground, evolution of the OPEX for resourcing of the implementation of the next Strategy, and robustness of the risk management framework to ensure value for money for all resources raised under the 7th Replenishment.

110. The outgoing EGC Chair and Vice-Chair thanked the Board for its support in concluding major workstreams under the GAP 2.0. Going forward the EGC should continue its focus on culture, governance and ethics oversight, assessment of the need to conduct a more comprehensive review of the committee mandates, protection against sexual exploitation and abuse and harassment as an important ethical risk to the organization, and how the governance structures can best support the Global Fund mission.

111. The outgoing SC Chairs highlighted the significant workload and accomplishments by the SC, supported by the Secretariat and inputs from all Board Constituencies over the last term including the recommendation of a new Global Fund Strategy. Supported by recent Board decisions, the SC will focus on a strong plan for the implementation and monitoring impact of the next Strategy.

112. The Vice-Chair of the Board underscored the next time the Board meets in November 2022 will be after the announcement of the outcomes of the 7th Replenishment. At this point, the Board will be requested to make decisions on sources and uses of funds for the next three-year cycle, the Corporate Workplan and OpEx Budget, including strategy costing and the three-year cap, the M&E and KPI Frameworks, the Multi-year Evaluation Calendar as well as on the future advancement on Wambo.org, and possibly more. The Board may also need to decide on the future of C19RM before getting together again.

113. Recalling the Board discussions on Strategy Implementation, the Vice-Chair alluded to the summary of commitments made with the Secretariat and next steps.

114. Board and SC oversight of Strategy Implementation is critical. It is a journey with the Secretariat, Technical Partners, Bilateral Partners, and countries and communities we serve. Strategy

Implementation will be the common thread that runs through every Board and Committee discussion going forward. This enhanced dialogue and engagement between the Board and the Secretariat in these areas outlined above will be critical to advance the key changes identified in the Strategy to achieve its envisioned results , and help drive a successful replenishment to raise at least \$18 billion as the prerequisite for delivering the goals of the Strategy.

115. The Vice-Chair thanked the Board and those who were able to travel to Geneva after two years of meeting virtually, and all the staff and interpreters supporting Board Meeting.
116. Before closing the meeting, the Board Chair also thanked Board Members for their in-person and virtual participation, and for their efforts over the coming months towards ensuring a successful 7th Replenishment of the Global Fund.

Annex 1. Decisions Taken at the 47th Board Meeting

Decision Point Number	Decision Point text	Voting Summary		
		For	Against	Abstain
GF/B47/DP01	Appointment of Rapporteur Mišo Pejković from the Eastern Europe and Central Asia Constituency is designated as Rapporteur for the 47th Board Meeting.	Unanimous		
GF/B47/DP02	Approval of the Agenda The Agenda for the 47 th Board Meeting (GF/B47/01_Rev1) is approved.	Unanimous		
GF/B47/DP03	Approval of the Revised Eligibility Policy 1. Based on the recommendation of the Strategy Committee, the Board approves the revised Eligibility Policy, as set forth in Annex 1 to GF/B47/02 (the “Revised Eligibility Policy”). 2. Accordingly, the Board: i. Acknowledges that this decision point and the Revised Eligibility Policy supersede the decision point GF/B39/DP03 and the previous Eligibility Policy as set forth in Annex 1 to GF/B39/02 (the “Previous Eligibility Policy”); and ii. Notes that, notwithstanding paragraph 2.i of this decision point, the Previous Eligibility Policy remains applicable to grant programs originating from the 2020-2022 allocation period. <u>Budgetary implications: None.</u>	18 votes		2 votes: Communities LAC

GF/B46/DP04	<p>Approval of the Eligibility of the 2020-2022 Transition Funding Components for an Additional Allocation</p> <p>Based on the recommendation of the Strategy Committee, the Board approves the eligibility of the six (6) Transition Funding components from the 2020-2022 allocation period for an additional allocation of Transition Funding for the 2023-2025 allocation period.</p> <p><u>Budgetary implications: None</u></p>	Unanimous		
GF/B46/DP05	<p>Allocation Methodology 2023 – 2025</p> <ol style="list-style-type: none"> 1. The Board notes: <ol style="list-style-type: none"> a. Its decision in May 2019 (GF/B41/DP03) that (i) established the allocation methodology for the 2020 – 2022 allocation period; and (ii) acknowledged the technical parameters for the 2020 - 2022 allocation period; and b. The decision by the Strategy Committee (the “SC”) in March 2022 GF/SC18/DP05, under authority delegated by the Board, to establish technical parameters for the 2023 – 2025 allocation period (the “Technical Parameters”). 2. Accordingly, based on the recommendations of the SC, as presented in GF/B47/03, the Board: <ol style="list-style-type: none"> a. Approves the allocation methodology presented in Annex 1 to GF/B47/03 (the “Allocation Methodology”); b. Acknowledges the Technical Parameters for the 2023 – 2025 allocation period, as presented in Annex 2 to GF/B47/03 and c. Approves that no more than 7.5% of the total sources of funds available for country allocations be used to ensure scale-up, impact and paced reductions, as described in paragraph 4.c of the Allocation Methodology; and 	18 votes		<p>2 votes:</p> <p>ESA</p> <p>WCA</p>

	<p>3. Accordingly, the Board:</p> <ol style="list-style-type: none"> Requests the SC to review and approve, at its July 2022 meeting, the method by which the Secretariat will apply and report on the qualitative adjustment process; and Acknowledges that the Allocation Methodology and Technical Parameters shall apply for the 2023– 2025 allocation period and supersede the 2020 – 2022 allocation methodology and technical parameters presented in GF/B41/02. <p><u>Budgetary implications (included in, or additional to, OPEX budget): None</u></p>			
GF/B46/DP06	<p>Catalytic Investments for the 2023-2025 Allocation Period</p> <p>Based on the recommendation of the Strategy Committee, as presented in GF/B4704 – Revision 1, the Board:</p> <ol style="list-style-type: none"> Acknowledges that the total amount of sources of funds for allocation for the 2023-2025 allocation period will be decided by the Board in November 2022, based on the recommendation of the Audit and Finance Committee following announced replenishment results from the 7th Replenishment; Approves that the total amount of funding for catalytic investments in the 2023-2025 allocation period (“Catalytic Investments”) will be determined by the total amount of sources of funds for allocation for the 2023-2025 allocation period; Approves Catalytic Investments for the 2023 –2025 allocation period, based on the total amount of sources of funds for allocation, as set forth in Table 1 of GF/B47/DP06; Agrees that in the event that sources of funds for allocation for the 2023-2025 allocation period are above the midpoint of the funding range specified for any scenario in Table 1 of GF/B47/DP06, the Secretariat may recommend to the Board to approve additional amounts for Catalytic Investments (up to 50% of the difference in total catalytic funding for the applicable scenario and the next higher funding scenario) to be invested in the priority areas for the next higher funding scenario in Table 1 of GF/B47/DP06; Acknowledging that additional refinements may be required to the catalytic investment amounts for the priorities under the “RSSH/Cross-Cutting” section of Table 1 to GF/B47/DP06, delegates authority to the Strategy Committee to approve, within such RSSH/Cross-Cutting section (with the exclusion of the Emergency Fund priority): (i) a decrease in the amount of any priority by up to 15% and (ii) the 	19 votes		1 vote: Private Foundations

	<p>inclusion of such decreased amounts within another priority in this group. Any changes made under this paragraph will be approved by the Strategy Committee at its July 2022 meeting, and will be informed by input to be provided by the Secretariat as described in paragraph 6.ii below</p> <p>6. Approves that the Secretariat will:</p> <ul style="list-style-type: none"> i. operationalize Catalytic Investments, considering TRP and TERG recommendations as well as available program and financial performance data from ongoing catalytic investments, and work with partners to ensure that Catalytic Investments have clear objectives, expected outcomes and impact and transparency in the investment decisions on geographic prioritization and country selection; ii. update the Strategy Committee, at its July 2022 meeting, on the status of such operationalization and planned next steps, and report, bi-annually, to the Strategy Committee and Board thereafter on further operationalization; iii. have flexibility, within the total amount of funding for Catalytic Investments, to increase or decrease the amount for any approved priority up to 15% and report to the Strategy Committee on any such changes; and iv. present any increase or decrease of an amount for any approved priority above 15% to the Strategy Committee for approval; and <p>7. Agrees that the Secretariat will have delegated authority to increase the amount of funding available for the Emergency Fund, by up to 50% of the amount approved for this priority, using funding approved as available by the Audit and Finance Committee for portfolio optimization, and that paragraph 6.iv above will not apply to increases to the Emergency Fund. Any increase above 50% will be presented to the Board for its urgent, no-objection approval.</p> <p><u>Budgetary Implications: Associated management costs for Catalytic Investments will be covered by Catalytic Investments and/or operating expenses as applicable.</u></p> <p>Table 1 to GF/B47/DP06:</p>			
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	Strategy Goal or Objective	Priority	Indicative Modality	US\$16	US\$15-	US\$14-	US\$13-	US\$12-				
				and Over	16b	15b	14b	13b				
End AIDS		Prevention for key populations, AGYW and sexual partners	MF	\$107	\$87	\$78	\$73	\$24				
		Implementation support for innovation, precision and scale in HIV prevention	SI	\$12	\$10	\$9	\$0	\$0				
		Key populations sustainability and impact	MC	\$41	\$34	\$30	\$28	\$0				
		HIV Incidence Reduction Total		\$160	\$131	\$117	\$101	\$24				
End TB		Find and successfully treat the missing people with DS-TB and DR-TB	MF	\$179	\$161	\$152	\$123	\$82				
		Scale up TB prevention	MF	\$54	\$48	\$45	\$37	\$0				
		Country readiness for innovation and quality TB programming	MF	\$18	\$16	\$15	\$12	\$0				
		Technical support to the TB matching funds	SI	\$16	\$13	\$12	\$11	\$0				
		End TB: Accelerate progress to End TB by 2030 Total		\$267	\$238	\$224	\$183	\$82				
End Malaria		Biologic threats in malaria case management in Africa	SI	\$20	\$16	\$14	\$13	\$0				
		E2030: Drive towards elimination and facilitate prevention of reestablishment	SI	\$7	\$6	\$5	\$0	\$0				
		Malaria Elimination in Southern Africa	MC, MF	\$13	\$11	\$10	\$10	\$0				
		Resistance to Artemisinin Initiative (RAI)	MC	\$110	\$100	\$100	\$80	\$50				
		Regional Coordination and targeted Technical Assistance (RCTA)	SI	\$9	\$7	\$7	\$0	\$0				
		Addressing vector control threats and opportunities: supporting country readiness for an expanding toolbox	SI	\$16	\$13	\$12	\$11	\$0				
		Malaria Total		\$175	\$153	\$148	\$114	\$50				
Maximizing People-centered Integrated Systems for Health		Empowering regional reference laboratories and national diagnostic networks	SI, MC	\$33	\$27	\$24	\$0	\$0				
		Data	SI	\$29	\$24	\$21	\$0	\$0				
		Equitable access to quality health products through innovation, partnership, and promoting sustainable sourcing and supply chains at global, national and community levels (NextGen Market Shaping)	SI, MF	\$140	\$85	\$49	\$23	\$0				
		Incentivizing RSSH quality and scale	MF	\$60	\$40	\$30	\$20	\$0				
Maximizing Health Equity, Gender Equality and Human		Effective community systems & responses (CS&R) contributing to improved health outcomes, equitable access to integrated people-centered quality services	MF, SI	\$90	\$74	\$66	\$61	\$0				
		Community engagement	SI	\$20	\$18	\$18	\$15	\$14				
		Scaling up programs to remove human rights and gender related barriers	MF, SI	\$49	\$40	\$36	\$33	\$20				
Mobilizing Increased Resources		Health Financing	SI	\$37	\$30	\$27	\$20	\$0				
End AIDS, TB, Malaria		Emergency Fund	SI	\$40	\$40	\$40	\$30	\$10				
		RSSH / Cross-Cutting Total		\$498	\$378	\$311	\$202	\$44				
Amounts in US\$m	TOTAL			\$1,100	\$900	\$800	\$600	\$200				
GF/B46/DP07	Board Leadership Term									Unanimous		
	The Board approves the amendments to the (i) Terms of Reference Chair and Vice-Chair of the Board of the Global Fund, (ii) Bylaws of the Global Fund; and (iii) the Operating Procedures of the Board and Committees of the Global Fund, set out respectively in annexes 1, 2 and 3 to GF/B47/05.											

	<u>Budgetary implications (included in OPEX budget)</u>			
GF/B46/DP08	Leveraging the work of the Standing Committees <p>Based on the recommendation of the Ethics and Governance Committee (the “EGC”), as presented in GF/B47/06 – Revision 1, the Board:</p> <ol style="list-style-type: none"> 1. Acknowledges the changes to the Charter of the Strategy Committee already approved through GF/B46/DP06 and which will be effective as of 31 December 2022; 2. Amends the Charters of the Standing Committees of the Board (“the Charters”), as set forth respectively in Annexes 5, 6 and 7 of GF/B47/06 – Revision 1, which shall each become effective upon the conclusion of the forty-seventh Board meeting; and 3. Acknowledging the specific scope and intent of the changes to the Charters, requests the EGC leadership to determine, after consultation with the Board leadership, Coordinating Group, Standing Committees and Secretariat, as relevant, whether a more complete review of the Charters may be required during the next EGC term. <p><u>There are not any budgetary implications additional to OPEX budget</u></p>	Unanimous		

Annex 2. Board Meeting Document List

Reference	Document Title
For Decision	
GF/B47/01 – Revision 2	47 th Board Meeting Agenda
GF/B47/02	Revisions to the Eligibility Policy
GF/B47/03	Allocation Methodology for the 2023-2025 Allocation Period
GF/B47/04 Revision 1	Catalytic Investments for the 2023-2025 Allocation Period
GF/B47/05	Revisions to the Board Leadership Terms of Reference
GF/B47/06 Revision 1	Governance Action Plan: Leveraging the Role of Committees
Leadership Updates	
GF/B47/07	The Office of the Inspector General 2021 Annual Report, including an Annual Opinion on Governance, Risk Management and Internal Controls
GF/B47/08	COVID-19 Response and Business Continuity
Strategy	
GF/B47/09	A. Update on Strategy Implementation Preparations
	B. Update on Strategy Implementation Preparations (<i>slide deck</i>)
	C. Resilient and Sustainable Systems for Health (RSSH) implementation for the new Strategy
GF/B47/10	Updates of Technical Evaluation Reference Group
GF/B47/11	TRP Update
GF/B47/12	Community, Rights and Gender Annual Report
Governance Oversight	
GF/B47/13	Report of the Coordinating Group
GF/B47/14	Global Fund Ethics Office Annual Report and Opinion 2021
Assessment of Organizational Performance	
GF/B47/15	Update on M&E and KPI Framework Development
GF/B47/16	Strategic Performance Report end-2021
Commitment of Financial Resources	
GF/B47/17	Financial Performance as at 31 st December 2021
GF/B47/18	Recoveries Report Period ended 31 December 2021
Risk Management	
GF/B47/19	Agreed Management Actions Progress Report
GF/B47/20	Risk Report and Chief Risk Officer Annual Opinion
Resource Mobilization and Partnerships	
GF/B47/21	Update on Resource Mobilization and the Seventh Replenishment Action Plan
Supporting Documents	
	2023-2025 Catalytic Investments Proposals
	Update on Country Funding and Portfolio Optimization
GF/EGC18/06	GF/EGC18/06 Governance Action Plan 2.0 Progress Update
	Summary of Electronic Board Decisions approved since December 2021

Annex 3. Glossary of Acronyms

ACT-A	Access to COVID Tools (ACT) Accelerator
AFC	Audit and Finance Committee
AMAs	Agreed Management Actions
BCOP	Board and Committee Operating Procedures
CBO	Community Based Organizations
CCM	Country Coordinating Mechanism
GAC	Grant Approvals Committee
CRG	Community, Rights and Gender
C19RM	Covid-19 Response Mechanism
CRO	Chief Risk Officer
CSO	Civil Society Organizations
ED	Executive Director
EGC	Ethics and Governance Committee
GHC	Global Health Campus
GNI	Gross National Income
HTM	HIV, Tuberculosis and Malaria
KPI	Key Performance Indicators
M&E	Monitoring and Evaluation
MOPAN	Multilateral Organization Performance Assessment Network
M&O	Monitoring and Oversight
NGOs	Non-Governmental Organizations
OIG	Office of the Inspector General
OPEX	Operating expenses
PPR	Pandemic Preparedness and Response
PSEAH	Protection from Sexual Exploitation, Abuse and Harassment
RSSH	Resilient and Sustainable Systems for Health
SDGs	Sustainable Development Goals
SC	Strategy Committee
TA	Technical Assistance
TERG	Technical Evaluation Reference Group
TRP	Technical Review Panel
UMI	Upper Middle Income
VFM	Value for Money
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) Statement
- b. Canada, Switzerland and Australia 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. Germany Constituency Statement
- k. Latin America and the Caribbean Constituency Statement
- l. Point Seven Constituency Statement
- m. Private Sector Constituency Input
- n. Southeast Asia Constituency Statement
- o. United Kingdom Statement
- p. UNAIDS Constituency Statement
- q. Western Pacific Region Constituency Statement
- r. WHO Constituency Statement

Document Classification: Internal.

Document Circulation: Board Members, Alternate Board Members, Constituency Focal Points and Committee Members.

This document may be shared by the Focal Points within their respective Board constituency. The document must not however be subject to any further circulation or otherwise be made public.



AFRICAN CONSTITUENCY BUREAU
FOR THE GLOBAL FUND



African Constituencies position statement for the 47th Board meeting

The East and Southern Africa (ESA) and West and Central Africa (WCA) Constituencies commend the Secretariat for its dedication and its commitment to supporting its representatives and all the persons that it serves towards the advancement of the Global Fund mission.

Strategy Implementation

The implementation of the Global Fund's newly adopted 2023-28 Strategy is vitally important. We need to secure the gains and advance toward the elimination of HIV, TB, malaria as epidemics by 2030.

How?

As implementer constituencies, we testify that the 'how' of implementation can help us attain our common objectives or derail them. Some of those issues might fall under operations, but operations that have the power to derail plans of our Strategy become strategic issues.

Among the issues to be discussed is the best way to fund health systems.

We need greater articulation of the RSSH approach in order to strengthen health systems in areas related to the Global Fund investments. Those areas are data, laboratories, and community systems as well as procurement and supply chain.

In the absence of a national strategy, RSSH investments often end up purchasing equipment for the three diseases. We reiterate our need for RSSH stand-alone grants with longer terms to achieve results; we could consider aligning health systems investments milestones on the Global Fund cycle of a three-year.

Exhibit A: Funding health system in three large countries in our constituencies

Implementation arrangements matter: Country A is large with a heavy malaria burden. Funding for RSSH was under malaria grant and represent 10% of the value of the grant. Out of eight indicators of performance, four were related to malaria and four to RSSH. RSSH interventions started late and the implementation was sub-optimal. The director of the malaria program was not in charge of the RSSH interventions so she could do little other than voice her concern on the delays to her colleague and the minister of health. The malaria grant rating decreased from A1 (the highest on a scale of 5) to B1 (the third).

The CCM used available flexibility to fund RSSH and protect TB funding in Country B: During the grant cycle 2020-2022, the CCM decided funding RSSH interventions (i.e. Health products management system, community system strengthening) and select a PR to manage those activities. The TB grant was the smallest of the three and the program's funding gap was large. After a lengthy discussion, the CCM decided to fund the RSSH with resources coming only from the HIV and malaria grants. To better support the TB disease program, some of the necessary equipment or laboratory reagents like the GeneXpert that serve both the TB and HIV programs were purchased on the HIV grants. The implementation was delayed by COVID-19.

Context matters: Discussion of equity and equality permeates public discourse of health and politics in Country C. To fund the health system, the CCM decided that all three grants would contribute the same percentage to RSSH investment for equality reasons. RSSH resources were dispersed among the three grants but all interventions were drawn from the same national strategic plan. To improve effectiveness, the TB and the HIV grants were combined. The RSSH resources are followed-up and managed by the single government PR but not as a stand-alone grant.

Which policies, processes, and guidelines will be adjusted for the new Strategy? How do we adapt those policies, processes, and ways of doing business to Challenging Operating Environments?

GF/B47/02 Revisions to the Eligibility Policy

The African Constituencies approve the revision to the eligibility policy. As a continent with the highest burden of malaria, we appreciate efforts to eliminate malaria all over the world.

GF/B47/03 Allocation Methodology for the 2023-2025 Allocation Period

We appreciate the content of the decision point and the accompanying explanation. We also appreciate the in-person discussion that the Secretariat has arranged for the SC ahead of the board meeting. We however take note with concern that the clear mechanisms and directions on how to fund health systems remains missing.

We would like to reiterate that the success of our new strategy, especially the three contributory objectives and the evolving objective on pandemic preparedness and response, all require a

functioning health system to produce the expected results. In addition, the Global Fund business case for the 7th replenishment indicates that one-third of the target (\$6 billion) will be invested in the health system.

We acknowledge and appreciate the Global Fund investments in RSSH to date.

The Technical Evaluation and Review Group, the Technical Review Panel, and the OIG's published specific reports and audits on our partnership's investments in health systems. The summary of the findings notes that, while heavy and needed, the investments do not always yield optimal results. These findings are echoed by feedback from implementing countries in our region. The publication offered recommendations on better ways to invest.

The African constituencies assert that the recommendations by the TERG, TRP, and OIG must be followed, else we will miss the target of ending HTM epidemics by 2030. We submit that as a partnership, we should use the recommendations as a first step to improve mechanisms to fund health systems in areas related to the Global Fund investments. Those areas are human resources for health, laboratory, data, and community systems as well as procurement and supply chain.

GF/B47/04 Catalytic investments

We appreciate the diverse changes in the drafts shared by the Secretariat. Indeed, it is important that the Catalytic Fund's priorities are catalyzing the strategy. Catalytic investments should categorically reflect innovation and other necessary investments that could not be done uniquely through the grant. In the modalities, it is important to give countries the flexibility to contextualize the grants and not frame it tightly at the global level.

- For TB, the African Constituencies are committed to supporting catalytic investments. We appreciate the assurance provided by the Secretariat: proposed interventions are evidence-informed and will help decrease TB mortality, especially in countries with the highest mortality worldwide.
- With regards to malaria, recent estimates indicated that contrary to initial optimism on performance, COVID-19 increased significantly the mortality of malaria. The African Constituencies expect that part of malaria NextGen nets that were included under NextGen Market-shaping will indeed be used for malaria prevention so we can decrease the morbidity.
- For the market-shaping strategy, we painfully witnessed delays and unavailability of health commodities at the height of the COVID-19 pandemic. This situation highlights the importance of local manufacturing to mitigate the risk of concentration of manufacturing out of Africa. We call for the new Market Shaping strategy to support the local manufacturing in our constituencies for sustainability

Exhibit B: A tale of successful catalytic investments

Country D, a small west African country received catalytic investment for its data systems. The Matching Fund helped digitalize the paper-based and error-prone system that the country used to have. The implementer of the catalytic investment was the government PR. The data investments were listed among the above allocation. Upon approval of the catalytic investments, the PR contracted the Ministry of Health division of health statistics. Tendering for equipment was difficult and time-consuming but eventually, the intervention was considered a success: Community Health Workers can now use their issued smartphones to key in data on consultation, tests and medications provided; the data is available at district, region, and national levels. This improvement was timely as it was completed just before the COVID-19 pandemic

GF/B47/07 The Office of the Inspector General 2021 Annual Report

The African Constituencies appreciate the detailed work of the OIG. While we admit issues with weak accountability and capacity in some of our countries, we also need to question the extent of the responsibility of the Local Fund Agents, the fiscal or fiduciary agents who support risk mitigation. We call both the Secretariat and the OIG to work with in-country accountability institutions

We reiterate the need for the OIG to remain staunchly independent. This independence is a bedrock of our trust in the Global Fund as it provides assurance and confidence to our implementers, our CCMs, committees, and board members.

Canada-Switzerland-Australia Constituency Statement

Global Fund 47th Board Meeting May 2022

The Canada-Switzerland-Australia constituency would like to extend our significant thanks to the Global Fund Board, Committees and Secretariat in preparing this in-person/hybrid meeting. We appreciate all efforts to provide clear, strategic and holistic advice to Board members to facilitate quality decision making. As discussions continue in the lead-up to the Board, our constituency is optimistic that we will work together to chart a path forward to implement the new Strategy, and look forward to productive discussions.

CSA would also like to restate our support for Board colleagues, staff and Global Fund partners and beneficiaries impacted by the unjustifiable military attack of Ukraine. We reaffirm our solidarity with Ukraine and its people, today and in the future.

We would like to draw attention to some critical points for consideration as we head into next week's discussions:

First, on **community, rights and gender**, our constituency has noted that ten recommendations were presented both to the Strategy Committee and now to the Board via the annual CRG report. Given the fact that progress on community, rights and gender is critical to the success of the new strategy, and keeping in mind the recent Multilateral Organisation Performance Assessment Network (MOPAN) report finding that the Global Fund should do more in this area, we urge the Secretariat to further elaborate plans for implementation of these recommendations and provide a formal response to the Strategy Committee in July 2022 and to the Board in November 2022 as the basis for a broader discussion regarding how these will be incorporated.

Second, we note with concern that **risks to TB programming** remain the highest across the portfolio, rated by the Chief Risk Officer at a 'Very High' level. As such, our constituency continues to strongly urge the Board, Committees and the Secretariat to maximize its efforts to invest in TB at this critical time, using all available levers including those described in board paper GF/B47/09/A Update on Strategy Implementation Preparations and GF/B47/04 Catalytic Investments for the 2023-2025 Allocation Period.

Specifically, our Constituency would welcome written updates from the Secretariat at the July Strategy Committee and November Board on how the following sub-points of the Global Disease Split decision (GF/B46/DP04) are being addressed, including:

- 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;
- Continuing to pursue and monitor domestic co-financing commitments required to increase overall financing for tuberculosis; and
- Continuing to pursue innovative finance opportunities to increase funding to tuberculosis in high burden countries.
- 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.

Third, on **catalytic investments**, we thank the Strategy Committee and the Secretariat for their work on this issue. Our constituency makes note of the following:

- We would have preferred to see more funding given to TB, in light of TB's contribution to global mortality, its historical underfunding, and the very high risk of not meeting the 2030 targets. We acknowledge the increase in resources provided, and that in lower replenishment scenarios much of the resources for TB and communities remain protected.
- We are pleased to see the increased use of matching funds, which we believe will ensure a greater alignment with investments of in-country allocations. We expect that matching funds will drive further impact, not just from Global Fund allocations, but also by catalysing further domestic investments.
- We are very supportive of the language in the decision point related to performance monitoring and reporting. This will be essential to allow the Secretariat and Board to make evidence-based decisions on these important investments.
- We support the 15% flexibility afforded to the Secretariat noted in 5(iv).

Our constituency welcomes the use of matching funds for **resilient and sustainable systems for health (RSSH)**, while noting this is not the only avenue for RSSH and encouraging the incorporation of RSSH elements (where feasible and appropriate) across funding requests. We welcome the pre-Board paper on RSSH Implementation for the New Strategy that describes what will be done differently on RSSH in the future. While we appreciate the Secretariat going through some of the historical recommendations on RSSH from the TERG, TRP and OIG, we would welcome a more systematic review of these historical recommendations by the Secretariat for the Strategy Committee's review in July 2022, with a specific focus on which recommendations will be adopted as a matter of priority moving forward, and why those that are not adopted are outside of scope.

Finally, on **strategy implementation**, CSA looks forward to working constructively with other Board constituencies on the Board pre-day.

Communities Delegation

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

Communities Delegation Statement 47th Board Meeting

The Communities Living with HIV and affected by tuberculosis and malaria delegation submits the present statement to the Board of the Global Fund for consideration on key issues to be discussed in the Global Fund's 47th Board meeting. Our Delegation would first like to acknowledge the achievements of the partnership in finalizing our new strategy and ensuring business continuity despite the challenges, including Covid-19. We are grateful for the engagement of communities throughout the strategy process and acknowledge the resiliency of our communities living with HIV and affected by tuberculosis and malaria throughout the pandemic and other challenges.

Our delegation takes this opportunity to express our solidarity and sympathy to communities living with and affected by HIV and TB in Ukraine. We appreciate the efforts of the Global Fund and the bravery of the Civil Society recipients to ensure continuity of services and join others in calling for an end to all attacks on health care in Ukraine. As with the pandemic and other countries in severe crisis, the Global Fund must be prepared to offer a productive and agile response to the recovery of lost opportunities and services when this military incursion ends, particularly for communities of people living with and affected by AIDS, TB and malaria and key populations with a wider vulnerability to abuse and war crimes.

We would like to highlight the crucial role of the CRG, and we applaud the increase of catalytic funds (although yet not enough) for CRG issues. As we embark on the discussion around catalytic funding, the Communities Delegation requests the board to be extremely critical of what is really catalytic, not to overstep mandates or responsibilities of other institutions such as the provision of innovative products through next-generation market-shaping, which is UNAIDS' mandate and finally to refrain from transforming the discussions in a fight for a 'piece of the cake'.

The Communities Delegation submits the below comments on the papers for the 47th Board Meeting:

Revisions to the Eligibility Policy GF/B47/02

The Communities Delegation strongly supports the revised Eligibility Policy and the eligibility of the six (6) Transition Funding components from the 2020-2022 allocation period for an additional allocation of Transition Funding for the 2023-2025 period. While we support the revised policy, we acknowledge that GNI p.c. doesn't address concerns around in-country inequities or adequately capture fiscal space. We hope to see a clear methodology

Communities Delegation

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for capturing vulnerability indices and poverty/equity metrics and addressing these through the qualitative adjustment process. We note that other eligibility considerations, such as key population size estimates, may be difficult to integrate, particularly in countries where key populations are criminalized; therefore, we look forward to guidance from technical partners and data from community-led monitoring initiatives on this subject.

Finally, we agree that the world is yet to understand the effect of Covid-19 on economies and health systems, the war in Ukraine, and other ongoing and arising conflicts around the globe. Therefore, the decision not to transition any of the countries is noble. Responsible transition is essential in ensuring that we don't lose the gains made through the investments made over time.

Allocation Methodology for the 2023-2025 Allocation Period GF/B47/03

Catalytic Investments for the 2023-2025 Allocation Period GF/B47/04

The Communities Delegation supports the proposed decision point on allocation methodology and the technical parameters that come with it. We appreciate a more deliberate allocation of additional resources targeting community and key population-led initiatives. This is instrumental in ensuring implementation of the new strategy has at its core the leadership of communities living with and affected by the three diseases and to ensure that the new strategy has a strengthened focus on advancing community, rights, and gender.

Revision to the Board Leadership Terms of Reference GF/B47/05

Governance Action Plan: Leveraging the Role of Committee GF/B47/06

The Communities Delegation supports the revisions to the Board Leadership Terms of Reference. We also support the extension of the committee membership mandate while retaining flexibilities for any member or constituency where a three-year term commitment may be too challenging.

Update on Resource Mobilization and the Seventh Replenishment Action Plan GF/B47/21

The Communities Delegation welcomes the update on the 7th replenishment. We commend the Heads of State of the Democratic Republic of Congo, Kenya, Rwanda, Senegal, and South Africa for hosting the preparatory meeting and the US government for being the hosts of this 7th replenishment.

Communities Delegation

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

In view of the challenging environment we are facing post pandemics and wars, countries may have shifts in priorities. We acknowledge the secretariat's assessment of the future funding and reputational risk levels and trajectories, together with detailed mitigations and assurances. However, we call for empathy, flexibility, and a differentiated approach to mitigating some of these risks as they arise within or beyond the organisational risk register.

Update on Strategy Implementation Preparations GF/B47/09

The Communities Delegation welcomes the updates on strategy implementation and greatly appreciates the pre-board discussion. There are some issues that are crucial for our communities and which are centre of the new strategy that needs to be urgently addressed:

1. CCM-related issues. These include power dynamics in decision making, addressing issues around the size and composition of CCMs, as well as reasonable resourcing of CCM representatives of affected communities and Key Populations to consult with their constituents. The systemic silencing of communities and KP in CCMs should not be tolerated under any circumstances, as in the current shameful and the highly regrettable case of CCM composition in Nigeria, no mention an example where key populations are being suppressed and removed by CCMs and are being 'represented by proxy' by external organizations that have no connections or work history with our communities.
2. Meaningful engagement of communities at all levels and phases of Global Fund implementation at the country level needs to be the backbone of this institution. While there have been some improvements, for the most part, we are sidelined from decision-making and have sometimes been targeted for retaliation for speaking out.
3. Since the Partnership Forum, we have been hearing loud and clear the need for a separate stream of funding for communities. Without direct funding opportunities for communities, the power dynamics and gatekeeping of funds and opportunities will prevail. Our constituencies will continue to be disenfranchised to play a watchdog and lead on key national advocacy work. It's time to challenge the rhetoric that our governments will have the willingness and commitment to supporting Communities and Key Populations policy work. Two decades of Global Fund Programa show the opposite. Also, at the program level, opportunities to find those hard to reach, criminalized, and marginalized populations will be missed, and the gains we have made in response to the 3 epidemics will be lost. We call the members of the Global Fund Board to clearly indicate if they will consider this approach we already introduced it a few times. We need to translate the concepts of people-centred approaches, community lead monitoring, etc., into action. This requires independent

Communities Delegation

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funding, and if it's not introduced now, it will never happen in the strategic implementation. Now is the time to act.

Finally, although extremely limited and with high risks, the Communities Delegation welcomes a face-to-face meeting.

Developed Country NGO Delegation Constituency Statement
47th Board Meeting
May 10 - 12, 2022

The Developed Country NGO Delegation appreciates the opportunity to share the following cross-cutting comments ahead of the 47th Global Fund Board Meeting.

We welcome the Secretariat's efforts to present the Board with an approach for implementing the next strategy along with revisions to the theory of change and new catalytic investments. While we are encouraged by the significant amount of work that has been accomplished so far, we acknowledge that further work is needed to fully realize the necessary ambition and effort to deliver on it.

We are pleased to offer reflections and opinions on the following issues and look forward to a robust discussion.

2023-25 Allocation Methodology

We congratulate the Secretariat and the Strategy Committee on the new allocation methodology. We believe that the proposed revisions are justified and that additional considerations were given to the changing contexts in which the Global Fund operates. However, we are concerned that in some areas, the proposed methodology still does not fully consider critical areas such as the Resilient Sustainable System for Health (RSSH). We believe that additional thinking and discussion are needed to ensure that Global Fund continues to meet its commitments in this area. The allocation methodology must remain guided by the priorities identified by civil society, key populations, communities and government.

2023-25 Catalytic Investments

On Catalytic Investments, we recognise the efforts of the Secretariat to consult with partners in the development of the initial CI recommendations to the SC. However, we understand there has not yet been the opportunity to further engage with regards to the changes necessitated by the recommendation to reduce overall CI funding. . As noted by a number of other constituencies, whilst we acknowledge the need for trade offs here, we would like to better understand and reflect on the rationale and impact of these changes in

the prioritisation of CI funding overall, within each envelope and under each of the different scenarios. We champion the importance of an iterative, consultative approach to these critically important strategic investment decisions. It is through these consultations, that the Global Fund demonstrates itself to be a learning and inclusive organization, working with its constituencies and technical partners to prioritise investments towards achieving the wider strategy, making informed decisions based on previous experience, impact and efficiency.

As we have raised in previous statements, we are alarmed at the level of investment directed to TB programs despite intentions raised by the Board during discussions on the Global Disease Split during the 46th Board Meeting. TB remains chronically underfunded among the three disease portfolios, and we are concerned that increased investment is not fully reflected in the list of recommended priorities. We want to remind the Board of the disease split decision point taken at the 46th board meeting; we committed to increasing **funding for and maximizing the quality of TB programs, including through Catalytic Investments, co-financing, and innovative financing**. Considering this, we believe that the proposal presented is inadequate and fails to meet the level of ambition we committed to in the decision point made at the last Board meeting.

In the proposed catalytic investment amounts for multicountry approaches are proposed to be decreased by 18%. The TERG recommended MCGs as a priority investment area for activities that demonstrably add value over and above what country grants can deliver to meet the Global Fund's Strategic Objectives. MCG are more important than ever, given the current hostile climate in many countries for CSOs, dwindling financing for advocacy and capacity building, and since COVID-19 there is a growing importance to the role of regional approaches for policy change. MCG are needed to also actively advocate for increased domestic funding to those, which is especially needed in countries where national and local KP organizations and networks are underdeveloped, under recognized or absent.

Leveraging the Role of Committees, Country Coordinating Mechanisms (CCMs) Evolution, Committee Charters & Tenure

Our delegation expresses its disappointment that the Ethics and Governance Committee (EGC) mandate does not include CCMs. In the next strategy cycle, one of the essential responsibilities of the Global Fund will be to evolve and expand the role of CCMs. The Global Fund Framework Document describes the CCM as the focus for program accountability and governance at the country-level. The EGC must be integrally involved in

this, and the appropriate mechanisms are established and institutionalized, considering the criticality of its role.

Further, we are concerned about the 'Interpretive Guidance' developed to "*support understanding of the Committee Charters and oversight roles, including on cross-cutting topics.*" Our delegation is worried that guidance has been developed without EGC input. We believe these guidelines are critical to understanding the impact of the proposed changes on the charter. We, therefore, request that the Secretariat share these documents with the EGC and the Board prior to putting the Charters to the Board for approval. .

Adjustments to the Risk Appetite Framework and Risk Appetite Management Report

Considering that the adjustments are temporary and that the ongoing Covid-19 pandemic necessitates this approach, our delegation supports this decision point. However, in keeping with our previously stated views, we would like to reiterate that any acceptance of increased risk needs to come with clear accountability. To this end, we urge the Secretariat to provide analyses to the Board that detail the impact of this increased risk appetite on in-country missions and country-level engagement.

Annual Update on Community, Rights and Gender

Our Delegation commends the progress that has been achieved. However, key and critical challenges remain as clearly laid out in the preliminary Multilateral Organisation Performance Assessment Network (MOPAN) report which has identified major issues around CRG-related Key Performance Indicators (KPIs): gender equality and women's empowerment, human rights, key and vulnerable populations. To this end, we are concerned that the CRG portfolio is seemingly not prioritized in a manner that reflects its critical role in implementing the Global Fund's current strategy, programs and funding mechanisms. We reiterate our, and other Delegations', calls to include the CRG team leader in the Management Executive Committee. We believe that it is important to ensure that cross-cutting KPIs on community, human rights, key populations and gender have elevated visibility and Secretariat-wide accountability. .



Constituency Statement

47th Global Fund Board Meeting

Ahead of the 47th Global Fund Meeting, the Developing Country NGO Delegation (DCNGO) thanks the Secretariat for sharing these papers and we submit the following input and feedback for consideration.

DCNGO expresses solidarity with the Ukrainian people suffering under the illegal invasion of Russia. We acknowledge the countless other persons irrespective of their nationality inside countries suffering the effects of war, conflict, or other crises. We praise the Global Fund Principal Recipients and Sub-Recipients who are doing such great work to serve their communities even in such extreme circumstances.

From the first days of the Russian invasion of Ukraine the DCNGO issued a joint statement with Communities and Developed Country NGO Delegations, calling for emergency support. We acknowledge the Global Fund's quick response in addressing huge challenges caused by the war, with flexibilities and emergency funding. At the same time, in view of the escalation of the war and increasing threat to people and our programmes in all these countries, the DCNGO is calling for more support to be provided. This is needed to address the massive increase in vulnerability of communities and key populations, the devastating damage caused to the country's infrastructure, including health systems, and the huge challenges for Ukraine and other countries in crises to meet their domestic funding commitments.

We regret the absence of a written update from the Executive Director prior to the Board Meeting. In this rapidly changing international environment it is particularly important that the Board has insight into, and a chance to interrogate, the Global Fund management's response to these conditions.

For Decision

GF/B47/02: Revised Eligibility Policy

The DCNGO approves the revised Eligibility Policy and the eligibility of the six (6) Transition Funding components from the 2020-2022 allocation period for an additional allocation of Transition Funding for the 2023-2025 allocation period.

It is important for the Board to ensure that eligibility decisions recognize and enhance everyone's human rights and increased access to quality health services. The DCNGO is strongly urging the Board to consider further revisions to the Eligibility Policy to allow non-eligible countries to become eligible for targeted funding to address the needs of migrants and refugees coming from eligible countries in crises, to continue provision of AIDS, Tuberculosis and Malaria (ATM) services that were provided in the eligible country. The parameters of the provision of this funding support should be discussed in the Strategy Committee with its technical partners.

GF/B47/03: 2023-2025 Allocation Methodology

The Developing Country NGO Delegation approves the overall Allocation Methodology, 7.5% ceiling of funds moved from the total funding envelope and acknowledges the Technical Parameters for 2023-2025 allocation period.

Qualitative adjustments, which will be presented to the Strategy Committee (SC) for approval in July 2022, are critical in addressing the needs of key and vulnerable populations; the shrinking space for civil society organisations; challenging operating environments; and transition considerations among other issues. We look forward with interest to the detailed paper.

The DCNGO highlights the importance of situating the prioritization of Resilient, Sustainable Systems for Health (RSSH) investments within the broader Strategy Implementation conversation and not as part of the allocation methodology.

In depth discussion and decisions on country specific changes to policies and processes to allow effective implementation of our new strategy will continue to be needed. These discussions must occur during the updates on Strategy Implementation at the SC and the Board level. We welcome the informal Board discussion, with a focus on RSSH but acknowledge that many other issues need similar discussion including, but not limited to, the “potential of 2-3 overarching and cross-cutting levers for strengthening and catalysing progress across the key changes” highlighted at the informal SC meetings in February. We “would particularly like to hear from the Secretariat more on the role of funding requests and grant making processes for implementation of key changes” as highlighted in those discussions.

GF/B47/04: 2023-2025 Catalytic Priorities

In principle, the Delegation approves the Catalytic Investments for the 2023-2025 allocation period. We would like to see increased transparency on the allocation of funds and outcomes under different modalities; a selection of implementers and beneficiaries under Strategic Initiatives; the harmonization of catalytic investments within country grants; increased country governance through Country Coordinating Mechanisms (CCMs) and ownership of Strategic Initiative (SI) investments and synergy with prior and/or existing investments for similar initiatives, including non-Global Fund; and accountability. The delegation is asking the Secretariat for approaches and recommendations which ensure transparency, oversight and efficient reporting of all SIs.

The Delegation is particularly concerned about the decrease in multi-country or regional approaches and the increase of the SI modality which fall outside of CCM oversight. Multi country grants allow for key activities, for e.g., advocacy, capacity building and studies that cannot be done at the national level, and they enable peer networks to provide mutual support and mentoring for sharing of technical expertise across countries that cannot afford it on their own, and for government officials to understand that some of the challenges they face (e.g. on key populations) are not unique to their country.

We are deeply concerned about the lowest funding scenario of US\$ 12-13 billion which would result in US\$200 million for catalytic investment- a design in which most of our catalytic priorities are disappearing. We have set an ambitious replenishment goal of at least US\$18 billion- a minimum to address the needs of our 2023-2028 strategy- in which case, we suggest that the lowest funding scenario for catalytic investment should be set at US\$600 million.

GF/B47/05 - Board Leadership Terms of Reference

The DCNGO welcomes and notes the revision of the Board Leadership (BL) terms of reference and the leverage it aims to make of the maturity governance model and the lessons from the ad-hoc extensions of the current leadership.

We are supportive of the streamlined and rigorous performance assessment of the BL at individual levels and would suggest an explicit inclusion of the responsibility to address emerging ad-hoc issues within the Ethics and Governance Committee (EGC) charter.

GF/B47/06 - Leveraging the Role of the Committees: Committees Charters and Tenure

The DCNGO commends the work accomplished by the EGC to leverage the role of committees and ensure a clear delineation of mandates and division of labour between committees. We support, as previously expressed, the extension of committee tenure from 2 to 3 years as this is based on evidence - findings and recommendations from the GPA report as well as feedback from previous committees' leaders. We would like to register the following comments:

We would appreciate clarity as to why the interpretative guidance for better understanding and application of the revised Committee charters was not included in the documentation to inform the Board decision. The secretariat's response to the EGC observations in the paper defer the production of guidance and explanatory notes to a later stage. We would appreciate clarity and firm commitment as to when such important guidance will be provided to the Board.

We appreciate the urgency of getting this decision voted and would like the Board to mandate the EGC to follow-up and ensure a detailed and clear interpretative guidance is produced before committees' work plans are developed.

LEADERSHIP UPDATES

GF/B47/07: OIG 2021 Annual Report and Annual Opinion on Governance, Risk Management and Internal Controls (for information)

We thank the Office of the Inspector General (OIG) for their annual report and have noted with concern from their recently published audit and investigation reports a continued pattern of fraud and corruption that is affecting the ability to render services to affected communities efficiently. It raises the concern whether our in-country assurance, 1st and 2nd lines of defense are fit for purpose. We thus pose the following questions to the Secretariat:

A. What is being done by the first line level to ensure fraud and corruption is being combatted? The country team, fiscal host (where it exists) and the LFA need to coordinate their control mechanisms and be held accountable when there is evidence of inaction or wrongdoing.

B. What is the Risk team (2nd line) doing to ensure we have strong risk management and assurance mechanisms in place to be able to identify and address these challenges and put in place the necessary mitigation measures before the third line (OIG) comes in.

GF/B47/08: COVID-19 and Business Continuity Update

While we are still enduring a pandemic, many countries are currently lifting many of their restrictions which allows for the Global Fund (GF) to shift its focus from a direct and concentrated COVID response to the three diseases to a more comprehensive approach to restoring, particularly TB and HIV responses harmed by COVID, including investing more in communities and Civil Society.

STRATEGY

GF/B47/09: Strategy Implementation

The DCNGO Delegation agrees with and would like to echo the Africa Constituency Bureau's (ACB) statement: "operations that have the power to derail plans of our Strategy become strategic issues". It captures the inherent contradiction in an approach to the changes that will be necessary to effectively implement the GF's new strategy which draws artificial distinctions between operations and strategic issues. The DCNGO sees the role of the SC and the Board in guiding the strategic operational shifts that will be needed as critical and necessary for effective implementation.

The work in progress summaries suggest that key changes, several of which are cross-cutting, are at risk of being siloed. The Delegation would like to see community, equity, rights, and gender (CRG) that are at the centre of the strategy integrated across the entire theory of change. We urge the inclusion of consistent and clear language on the community roles and community across the board, including in TB which currently does not mention community engagement at all.

While we applaud the increase in HRM investments driven by Community Health Worker (CHW) related interventions, we stress that community members who continue to provide tireless services to their peers at the health facilities must also be remunerated for their services.

GF/B47/12: Annual update on CRG

The DCNGO applauds the work of the CRG on its Annual Report and strongly supports the 10 key concluding considerations in this Report. If effectively implemented, these considerations would give strength to ensuring effective and impactful GF work across all the strategic objectives and help drive the fund towards the achievement of its goal. We are particularly supportive of recommendations 1 and 2 which speak to implementing a 'bold vision and necessary changes' to processes including grant financing and advancing a 'practical and pragmatic approach to equity'.

The DCNGO has previously called for the elevation of the CRG to the level of the Management Executive Committee. We believe that the effective delivery of our new strategy, and the recommendations of the CRG Annual Report which we strongly support, will require that this question of elevation of the CRG department be revisited and seriously considered, to ensure cross-portfolio responsibility and accountability for the integration of the Community and Human Rights pillars of the new strategy.

ASSESSMENT OF ORGANISATIONAL PERFORMANCE

GF/B47/15 – M&E and KPI Framework update

We commend the work being done by the strategy committee through its working group, especially the refined theory of change, the Key Performance Indicators and the Monitoring & Evaluation (M&E) framework.

As stated in our previous position papers, we reiterate that the proposed indicators, measurement areas, metrics and non-KPI metrics need to be informed by past performance and raise the bar high in areas where the GF under-performed such as removing human rights-related barriers and saving lives amongst the most vulnerable.

We look forward to the conclusion of the work and presentation of the KPI Framework and M&E Framework at subsequent SC, Audit and Finance Committee (AFC) and Board meetings.

RISK MANAGEMENT

GF/B47/20 : Risk Report and Chief Risk Officer Annual Opinion (for information)

We welcome the effort made amidst the COVID-19 pandemic to ensure continuity of HIV treatment service delivery to patients' communities which has helped ensure a steady direction of travel for both Q3 and Q4 2021 respectively geared towards a moderate risk as targeted for June 2024. The role of communities in service delivery cannot be over-emphasized, it is therefore necessary that more community led/focused institutional systems should be strengthened, and fully financed to drive social changes at the community level.

We want to also emphasize the need for a proactive response to gender and human rights issues with the establishment of Protection from Sexual Exploitation and Abuse, Sexual Harassment (PSEAH) unit. More effort should be streamlined and well-coordinated to address structural issues facing adolescent girls and young women including young KPs.

RESOURCE MOBILISATION AND PARTNERSHIPS

GF/B47/21- Update on Resource Mobilization and the Seventh Replenishment Action Plan (for information)

The DCNGO congratulates the Secretariat for the successful pledge conversion efforts to date and is pleased to see the strong mobilization of developing countries for the Preparatory Meeting, held virtually over 23 and 24 February and co-hosted by the heads of state of the Democratic Republic of the Congo, Kenya, Rwanda, Senegal, and South Africa. The advocacy campaign for resource mobilisation by the Civil Society and communities maintaining an active engagement with donors, advocates and champions across the world is a key and we call for more support to CSOs and communities for their active participation and advocacy role at the Seventh Replenishment in the USA.

In the context of humanitarian crisis in Europe generated by the Russian war in Ukraine, as well as the negative impact on global economy overall, the Delegation would like to draw Board attention to the risk of not achieving the USD 18 billions needed during the Seventh Replenishment because the conflict has affected many countries (public, private and other donors) and can affect also access to and continuity of Malaria, TB and HIV services.

Global Fund Board 47: European Commission/ Belgium/ Italy/ Portugal/ Spain

Constituency statement

We thank the GF Secretariat and Governance team for an efficient organisation of this 47th Board meeting. We welcome the opportunity to resume face-to-face interactions, including the always useful informal discussions.

The Board will approve during this meeting a package of decisions on eligibility, allocation and catalytic investment which are all interrelated and will influence the development of Funding Requests for the next cycle, while in parallel the implementation of the strategy is still being developed. We understand the need to have decisions approved to move forward in planning, but we want to ensure that the Board has an oversight of how these different workstreams flow together, especially in the context of these required shifts to achieve impact.

We much appreciate, and thank the Secretariat, for the work it undertook to keep the Board informed on how the process is developed. We expect this will continue over the coming months.

Strategy Implementation

We appreciate the effort undertaken by the Secretariat on Strategy implementation, and the work already carried out by the 10 working groups. We acknowledge these are complex issues and we welcome the opportunity for this thorough discussion during the special session on Sunday.

By the end of the new strategy and its implementation, we will be one year to the 2030 SDGs endline. We need to increasingly consider the sustainability dimension during the upcoming 2 grants cycles, focusing on the more holistic systems strengthening, capacity building aspect, and looking towards progressively reducing the commodity-focus of the grants. This needs to be accompanied by increased Domestic Resource Mobilisation, hence the importance of well-articulated strategy on health financing.

The Global Fund plays a pivotal role in a fast evolving global health architecture. Its strong engagement and coordination with other multilateral and bilateral partners at global and country levels is a must and need to be reinforced. ACT-A proved a key platform to enhance coordination between partners and it will be important to maintain the momentum after ACT-A transitioning. Greater alignment with regional organisations such as the African Union and Africa CDC will also be essential.

The implementation of the partnership shift, albeit undoubtedly a complex one, deserves further work and regular updates to the Board between now and November.

Regarding RSSH, we appreciate a very useful presentation setting explicitly what has worked so far, and remaining challenges. It is critical to ensure that the Global Fund channels its resources to fight the three diseases in a way that strengthens national health systems and addresses the root causes of systems weaknesses.

It is important to have a clear definition of activities included as Health System Strengthening, and equally important to elaborate innovative incentives for scale and quality of RSSH activities. Implementation should further align with the country strategic plans, and be carried out in collaboration with technical partners.

Catalytic investments

While we recognise the process of prioritisation on the most impactful initiatives, some of which crucial to leverage the work of the GF (especially on Community Rights and Gender and RSSH), we are aware that resources are limited, hence the need to ensure that these priorities are mainstreamed in the core GF support, and clearly communicated to countries along their funding allocation. We fully support the principle of country ownership, however we have to find additional and innovative ways to ensure these priorities are meaningfully included in the funding requests and during the grant making process.

We would also like to thank the outgoing Ethics Officer Nick Jackson for his services and contribution to the GF work, in particular its contribution to the development of the Prevention of SEAH framework, which we trust is now well advanced in its implementation.

On **Governance matters**, we support the proposed changes on the Board Leadership mandate. An extension of the Committees terms to 3 years is a reasonable proposal in terms of continuity, institutional memory and reduced burden on governance processes, however possibly mitigating the risk of overly long term commitment.



EECA Constituency statement for the 47th Global Fund Board Meeting

The region of Eastern Europe and Central Asia is facing multiple crisis situations right now. The region is hit hard by the geopolitical, economic, and health crisis. Above all, we are hit hard with loss of lives, and people on move across the region.

All these challenges have brought us into difficult position, where countries in EECA are trying to provide the best response to ongoing crisis. These responses would be much more difficult without the support provided by the Global Fund, who has provided emergency funding and grant flexibilities aimed to sustain the response to HIV and TB in Ukraine and other countries of the region. We want to express our appreciation to the Global Fund and efficiency of its approach under very difficult circumstances.

EECA has already been hardly affected by the Covid-19 pandemic and its economic consequences, which have negatively impacted the HIV and TB response in number of countries. Now with an ongoing war, bringing the HIV and TB response back on track is even more challenging. The war has a devastating impact over Ukraine, its people and health system. Also, other countries and their health systems are affected, as people are fleeing Ukraine and their health needs must be addressed by the health systems in third countries. These systems are under a pressure to provide health services and care to best of their capacities. We also want to praise Global Fund, PEPFAR, UNAIDS, WHO, governments and Civil Society Organizations who are providing a support and coordination to people in Ukraine and across the EECA region.

Clearly in any crisis the health system is one of the most affected systems, that carries huge responsibility which is not always proportional to its capacity. Current situation in the EECA region clearly demonstrates that the health system must play its role in pandemic response, geopolitical crisis, and other challenging situations, regardless of the challenges faced by the system itself. Therefore, EECA constituency urges the Global Fund to expand and increase its pandemic preparedness and health system strengthening efforts, which are an essential parts of our ability to timely and adequately respond to pandemics and other health issues. Also, we urge the Global Fund to continue considering emergency funding and Multi-country regional funding support to Ukraine and neighboring countries, who might not be best placed to support significantly larger population and in particular the ARV and TB treatment.



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Eastern Mediterranean Region Constituency

Statements for 47th Board Meeting of The Global Fund

The EMR constituency appreciates the work and support of the Secretariat in preparing meeting documents in a timely manner.

We also acknowledge the persistent challenges facing the Secretariat in 2022 in accelerating delivery of core programs in a COVID-19 context, while preparing for implementation of the next Global Fund Strategy and working to deliver a successful 7th Replenishment.

We would like to share the following reflections and recommendations on different issues for discussion during the 47th board meeting.

□ Update on Preparations for Strategy Implementation

The EMR Constituency welcomes the fact that, for the first time in the Global Fund history, the Secretariat has presented “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.”

The presented theory of change (TOC) and its ten mini TOCs for each change pathway are a suitable approach to allow the Board and its partners to take stock of the past 20 years of Global Fund experiences and to ascertain what needs to be changed.

The EMR constituency sees persistent challenges that might hinder the implementation of the new Strategy in the Region. These relate mainly to:

- Human Rights barriers, including punitive laws, stigma, and discrimination that remain barriers to access for comprehensive HIV services driving increasing incidence and impacting mainly women and key populations.
- Humanitarian emergencies, displacement, and migrant populations which continue to affect progress to meet the 2030 targets

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Therefore, in terms of regional priorities, the new Strategy Implementation shall seek to address the following:

1. Continue the support of special programs pertaining to conflicts and migrant populations in the region, especially for countries with higher refugees or migrants' burden like Jordan, Lebanon, and Iran and for instable countries like Afghanistan, Somalia, Yemen, Libya and Sudan; and improve the flexibility and responsiveness of the Global Fund Secretariat operations throughout the grant lifecycle according to country context and in response to a changing environment.
2. Encourage the meaningful engagement of affected communities, especially key and vulnerable populations in the upcoming funding cycle and address the imbalances between civil society and the government sector in the CCMs, and address the limited voice of malaria and TB, to ensure meaningful engagement and balanced decision making.
3. Direct the Secretariat to develop guidance to CCMs, principal recipients and sub recipients for increasing investment in programmes for Key Populations (KP) including refugees and migrants.
4. Invest more in data collection, information generation and use, to shed light on social determinants of disease burden and access to services, improve monitoring, reporting and evaluation
5. Prioritize comprehensive and differentiated prevention programs beyond condom programming (including pre-exposure prophylaxis or PrEP) and ensure that country proposed responses are evidence-based.
6. prioritize community, rights and gender, which at present are relatively under-funded in relationship to the need, while continuing the support for the integration of human rights programs within the regional portfolio across the three diseases, including an expansion of the Breaking Down Barriers Strategic Initiative (beyond Tunisia).

☐ **Revision of the Eligibility Policy**

The EMR Constituency notes that GNI per capita will continue to be used to determine the economic capacity of the country, or in GF language “ability to pay”. In the EMR region, where we have a low prevalence and concentrated epidemics among key and vulnerable populations and where several countries are classified as LMI and UMI, it is important that eligibility captures adequately the available fiscal space for health. This is especially crucial



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to address equity, and the needs of those most marginalized, who are systematically left behind – and as we have seen, are highly unlikely to have their needs met once the Global Fund divests from the country (“sustainability and transition”).

Key populations and their partners, including men who have sex with men (MSM), transgender women, sex workers and their clients, and people who inject drugs (PWID), remain disproportionately affected. The HIV epidemic in the Middle East and North Africa is still growing—an estimated 20 000 new HIV infections in 2019 marked a 25% increase over the 16 000 new infections in 2010 (UNAIDS). The need to focus the response on these high-risk groups wherever they are, cannot be neglected and this should be taken into account starting with the eligibility process.

It would be sensible to initially focus on where the new infections are incurring, in addition to prevalence rates. Therefore, the GF could further explore ways of better capturing disease burden among key populations where data is not available or grossly underestimated (due to criminalization or discrimination).

Finally, the economic impact of COVID-19 is not yet fully understood, and varies depending on country context. Hence, the GF needs to ensure no transition takes place before the full effect of the pandemic has unfolded and corresponding economic data is available.

❑ **COVID-19 and business continuity**

The EMR Constituency welcomes the continued support that the GF extends through the C19RM which provides a clear opportunity for countries to build and strengthen the resilience of their response systems to the three diseases by anticipating risks and planning mitigation measures.

Going forward, if additional funding is allocated for a longer implementation period, a more flexible and agile approach will be needed to ensure the model remains responsive to the constraints and changes over time in line with the pandemic development (new variants, development of new treatments and diagnostic tools, etc.) It is also important to make the necessary “qualitative adjustments” for any new additional funding or for reprogramming of the current funding streams, taking into considerations the socio-economic vulnerabilities in the different countries / regions. New outcome and impact indicators need to be gradually introduced, particularly on programmatic areas (e.g., COVID-19 tests, positivity rates) and financial results (e.g., disbursements, budget absorption rate) to monitor the impact of the C19RM.

Finally, C19RM shall be used to further promote innovation to accelerate the HTM response. For instance, it is an opportunity to scale up PrEP and self-testing for HIV and Tb in the



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countries of the region which are relatively lagging behind despite the recommendations issued by UNAIDS and WHO in this regard. Hence, the review of underutilized funding in the region shall be directed towards building innovative community response mechanisms integrating the responses to the 3 diseases and the COVID-19 response.

❑ **OIG 2021 Annual Report and Annual Opinion on Governance, Risk Management and Internal Controls**

The EMR constituency is pleased to note that, despite the continued effects of the pandemic, no material weaknesses in the Global Fund's governance, risk management or control processes have been noted, in the 2021 Office of the Inspector General (OIG) report, in a way that would significantly compromise the overall achievement of its strategic and operational objectives.

Although the audits of the OIG did not cover countries in the Eastern Mediterranean region, we considered it useful to make the following comments around the OIG report:

- It is essential to continue to support countries, through technical partners (WHO, UNAIDS Stop/TB, etc.), in developing catch-up plans to close the gaps in results caused by the Covid-19 pandemic, on the one hand, and to continuously adapt programs, on the other hand, paying particular attention to activities that target the most vulnerable populations and better respond to the persistent challenges identified.
- The increasing instability of the operational context in the Eastern Mediterranean region requires flexibility to adapt the risk matrix in each country, prioritizing certain risks or deprioritizing certain oversight activities (at the level of implementers). Hence, countries portfolio risk profiles have to be continuously updated on time, and mitigation measures being developed accordingly

❑ **Risk Management Report and Annual Opinion of the Chief Risk Officer**

The EMR Constituency would like to highlight the need for continued investment in strengthening the capacity and resilience of GF implementers to ensure they are positioned to adapt programs quickly and flexibly, including how they engage communities and community-based organizations. For countries with concentrated epidemics, a sustained support is required, in order to bring prevention programs back to pre-pandemic scale and ensure programs do not lose ground on the achievements made to date. While the Secretariat is invited to exert continued flexibility re requests



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for further program adaptations and re-programming, these requests will require trade-off decisions that are evidence-based, leveraging risk appetite.

☐ **Annual Report and Opinion of the Ethics Officer**

The Eastern Mediterranean constituency appreciates the completion of the development of frameworks for key topics such as abuse of power and the fight against corruption, further clarifying responsibilities and accountabilities for the wider range of ethical risks, and updating codes of conduct. Grant implementation is an area to continue to focus on given the nature of the relationship between the Global Fund and implementers (PRs, SRs, suppliers), evaluating and influencing their ethics and sexual exploitation, abuse, harassment (SEAH) and corruption programs, and encouraging them to bring them into line with Global Fund guidelines. While the Global Fund Secretariat developed and deployed in 2019 an integrity due diligence (IDD) approach for most counterparts (CCM, PR and other stakeholders), it has yet to agree on an approach to define and implement the necessary verification and control mechanisms for the staff of principal recipients, sub-recipients and their suppliers, where significant risks exist. Recent work on the ethical component of CCMs has become a key priority since its incorporation as a component of the eligibility requirements. Now, it is important to put in place the necessary mechanisms to verify that the code of conduct for CCM members is properly applied. We propose that CCM members' adherence to the Code of Conduct be an essential component of assessing the overall performance of CCMs for future grants.

☐ **Update on Allocation Methodology and Catalytic Investments for the 2023-2025 Allocation Period**

The EMR Constituency approves the proposed changes in the 2023-2025 allocation methodology, as it continues to drive funding towards components with the greatest disease burden and lowest economic capacity, and as it accounts for the different funding scenarios with respect to the 7th replenishment outcomes.

The EMR constituency continues to support the technical partners recommendations of maintaining, as part of qualitative adjustments, an adjustment for key populations in low prevalence settings. It is also important to develop easy-to-collect indicators to measure the impact of catalytic investments, as well as on the decision-making process on how the amount of the catalytic funding will be determined.

For the 2023-2025 period, the catalytic regional priorities for the EMR include:

- Retaining the matching funds modality with a specific focus on human rights



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and key populations.

- Reduce cross-cutting barriers to accessing TB (human rights matching funds are mostly focused on HIV).
- Multi-country approaches which focus on areas such as sustainability of key population programs need to be maintained for the EMR region, where regional coordination is critical.
- Strategic initiatives that provide technical support to improve programs, strengthen systems, and catalyse innovation (e.g. HIV self-test coupled with HCV self-test in IDUs and oral PrEP and other WHO-recommended forms such as dapivirine vaginal ring and injectable PrEP with long-acting cabotegravir).
 - Include differentiated service delivery as a catalytic funding priority, which will increase uptake, quality and efficiency of HIV treatment.
 - Promote a catalytic priority to provide TB preventative therapy for people living with HIV and maintaining the TB Strategic Initiative which provides important technical assistance to develop innovative and community-based approaches.
 - Maintaining the Emergency Fund, which ensures continuity of essential HIV, TB, and malaria services that are at risk of interruption in situations such as conflicts, natural disasters, or other disease outbreaks.

☐ **Update on M&E and 2023+ KPI Framework Development**

The Constituency acknowledges the efforts to develop the KPI framework through a wide and participative technical consultation aimed to ensure that KPIs are nested within a broader M&E framework which provides information on performance of Global Fund investments as well as country and global progress against the three diseases.

We reiterate the need for a strong focus on using data from grant performance monitoring and seeing indicators roll-up into KPIs with more coherence between grant performance and Strategy results.

It is also important to ensure that performance frameworks incorporate existing data including on human rights and political commitment as well as disease burden and service access amongst different population groups and use this data effectively to monitor grant contribution to disease impact.



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☐ **Governance: Mandates and Tenure Decisions**

The constituency supports the move towards a three-year Board Leadership term as it allows for a strengthened institutional knowledge and memory, and for better-aligned leadership terms in support of Replenishment and Strategy cycles. We also support the proposed ECG recommendations and revisions of the current Charters of the three Standing Committees of the Board and the proposed adjustments to their respective mandates and tenure.

☐ **Update on Resource Mobilization and the Seventh Replenishment Campaign**

The constituency welcomes the tremendous efforts towards achieving the ambitious goals of mobilizing USD 18 billion, especially in the current global political and economic context. We also welcome the successful launch of The Seventh Replenishment campaign, “Fight for What Counts”, and we remain committed to support these efforts through the various national and regional platforms of the EMR, in anticipation of the Pledging Conference in the third quarter of 2022.



47th Board Meeting – French constituency statement

En premier lieu, la France voudrait rappeler sa solidarité envers l'Ukraine. Elle tient à saluer la mobilisation et la réactivité du Fonds mondial et de ses partenaires dans la réponse à la grave crise humanitaire que l'invasion de ce pays par la Russie a provoquée.

La France, qui préside ce semestre le conseil de l'Union européenne, souhaite également rappeler l'importance centrale que la santé mondiale représente pour l'équipe Europe et, parallèlement, le poids de celle-ci dans le soutien politique et financier aux grandes organisations compétentes, dont le Fonds mondial. Ce rôle et cette ambition de l'Europe en santé mondiale, que sa contribution décisive à la réponse mondiale à la crise sanitaire a encore soulignée, se renforcera encore à l'avenir.

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La France attache la plus grande importance aux discussions que nous avons depuis plusieurs mois sur la **mise en œuvre de la nouvelle stratégie** et sur les leviers permettant l'atteinte des objectifs ambitieux en matière de **renforcement de systèmes de santé**, y compris les systèmes communautaires (RSS), tant en termes de quantité que de qualité. L'ambition exprimée par l'argumentaire d'investissement en matière de RSS implique notamment de notre point de vue la définition d'indicateurs clairs en matière de RSS, ainsi l'utilisation des outils d'accès aux financements comme incitation au RSS au cours du prochain cycle de financement.

Il est par ailleurs essentiel que les dépenses de fonctionnement prévoient les ressources nécessaires à ce que le RSS puisse être suivi et intégré de façon adéquate, tant au secrétariat que dans les instances de coordination nationales (ICN). S'agissant de la **méthodologie d'allocation**, la proposition de plusieurs circonscriptions dont la France d'étudier la possibilité d'inclure un seuil minimal alloué au RSS dans les requêtes de financement n'a pas été retenue. La France souhaite toutefois que nos réflexions et échanges sur ce sujet se poursuivent, par exemple dans le sens d'un seuil minimal de ressources allouées au RSS spécifique à chaque pays. Comme le souligne l'Allemagne dans sa déclaration, la méthodologie d'allocation doit par ailleurs être revue de fond en comble, dans la mesure où elle n'est pas parfaitement alignée avec les objectifs de la nouvelle stratégie.

S'agissant des **investissements catalytiques**, la France s'inquiète, d'une part, de l'impact dommageable qu'aurait l'introduction d'un plafonnement à 1,1 milliard USD, notamment sur certaines priorités comme les fonds de contrepartie en matière de renforcement des systèmes de santé, d'autre part, à la faiblesse des ressources allouées aux droits humains et genre, dont les indicateurs clés de performance sont pourtant préoccupants. Les inégalités de genre dans le domaine de la santé sont pourtant particulièrement préoccupantes aujourd'hui dans le contexte de l'impact de la crise sanitaire sur les droits des femmes et des filles et doivent faire l'objet d'une volonté renforcée à les combattre. Elle propose dans ce contexte, soit que ce plafonnement ne soit pas mis en œuvre, soit que les ressources allouées au fonds de contrepartie en matière de renforcement des systèmes de santé et aux droits humains et au genre soient mieux préservées dans les différents scénarios de reconstitution. Hôte du Forum Génération Égalité en 2021 et fortement engagée en faveur de l'égalité de genre, la France souhaite que cette thématique reste au cœur du mandat d'action du Fonds mondial.



47th Board Meeting – French constituency statement

S'agissant de la **révision des termes de références des comités**, si la France est en mesure d'accepter les révisions proposées s'agissant des chartes du comité de l'audit et des finances (AFC) et du comité de l'éthique et de la gouvernance (EGC), elle regrette que les propositions faites s'agissant du comité de la stratégie (SC) ne clarifie pas suffisamment le rôle que ce comité devra jouer en matière de suivi et d'évaluation de la mise en œuvre de la stratégie. Nous souhaitons que ce point puisse être examiné lors de la prochaine mandature des comités, dans le cadre d'un travail conjoint AFC/EGC/SC.

Hôtes de la 6^{ème} reconstitution et 2^{ème} donateurs historiques, nous saluons le lancement de l'argumentaire d'investissement pour la **7^e reconstitution du Fonds mondial**, ainsi que l'accueil de celle-ci par les Etats-Unis. Son niveau d'ambition inégalé, ainsi que la priorité donnée au renforcement des systèmes de santé, que nous soutenons, exigeront pour rencontrer un plein succès un fort engagement de la part de tous les partenaires du Fonds mondial, auquel nous serons heureux de participer.

Enfin, la France souhaiterait rappeler la nécessité de lancer la **procédure de sélection de la future présidence du conseil d'administration** de façon à anticiper au maximum cette procédure qui a vocation à se dérouler dans un contexte de campagne de mobilisation. Le conseil d'administration doit pouvoir être en mesure de veiller au bon déroulé de cette procédure dans l'objectif d'aboutir à la nomination d'une nouvelle présidence en mai 2023 au plus tard.

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Pour conclure, la circonscription française salue les efforts du secrétariat pour l'organisation d'un conseil en format hybride. C'est la première fois depuis le début de la pandémie mondiale que le conseil d'administration aura la possibilité de se réunir en personne à Genève. La France se réjouit de cette opportunité tant attendue et rejoint la demande allemande de profiter de l'occasion de l'atelier de culture de gouvernance pour renouer avec une vision globale du partenariat qu'est le FM.

Germany Constituency Statement

47th Board Meeting of the Global Fund to Fight AIDS, Tuberculosis and Malaria

We very much appreciate that the Global Fund Board comes together for its first physical meeting since 2019, albeit still in hybrid form given the ongoing COVID-19 pandemic. We thank the Board and Committee Leadership and the Secretariat for steering us through two years of virtual work. We would welcome a discussion on how the Board will/should work together in the future taking into account the lessons from this pandemic and the ways of virtual working.

Strategy implementation

The latest **MOPAN report provides additional evidence that adjustments to the Global Fund model are needed to achieve our goals.** At this Board Meeting we will be taking **critical decisions to improve the Global Fund model and operationalize the new strategy** and the next cycle of grants. While these adjustments to individual policies and levers are all important, it became increasingly clear that the Board has **insufficient visibility on an operationalization package** that links to the objectives and ten key changes of the new strategy. To address this, the Secretariat has provided additional information with **a special focus on RSSH**, given this is a priority area for many constituencies. We very much appreciate the Secretariat's extra work in this regard. Not least for a successful replenishment, it will be **important that the Global Fund Partnership is very clear not just on the narrative of the new strategy, but also on how the Global Fund operationally delivers the objectives.** This includes organizational changes as well. This is not about micro-management, but the recognition that the Board needs visibility and dedicated space to discuss the "how" at a strategic level.

Going into the Board meeting, we would like to share a few reflections within the Germany Constituency on this broader issue:

1. Although we are still not 100% comfortable with where we are in the discussion on strategy implementation, we recognize the need to **continue the planning of the next grant cycle and as a Board to be able to take decisions** and move forward.
2. The Secretariat and Committees need to **use the remaining year until the November Board to pull together the various pieces and compile them as a package that provides a comprehensive picture of strategy operationalization** (ideally ready in draft for the replenishment and then presented to the Board), including the KPI framework
3. With regard to the ways of working of Board and Committees going forward, it seems that a **space for cross-cutting discussions on strategy implementation and performance overall is missing.** We currently seem to work through adjustments to individual policies, but rarely look at these in a holistic way. This does not allow the Board to see options for more transformative changes that would enable us to address structural issues. We could possibly use the Culture Workshop to start a discussion on this.

Strengthening Integrated and People-centered Systems for Health

We welcome the Pre-Board Retreat and look forward to the in-depth discussion on **Resilient and Sustainable Systems for Health (RSSH)** to better understand how the Secretariat aims to change its structure in a way that allows for a more integrated and people-centered approach. As stated before, it is about the quantity and quality of RSSH investments. The Financial Performance Updates as well as the RSSH Presentation underline again that In-Country Absorption of **RSSH budgets remains behind target and challenges remain in identifying countries needs** during country dialogue. This shows that we need a clear path forward including structural changes regarding operationalization of the RSSH Strategic Objective.

The discussion on the **Allocation Methodology** in the Strategy Committee (SC) concluded in not integrating requests on RSSH in the decision point. Hence, no separate RSSH-Allocation has been included in the Global Disease Split (GDS) and only small changes were made to the GDS. This again highlights the need for a review of the methodology for the next replenishment cycle as it currently does not fully correspond to the goals of new strategy.

A concrete lever to produce change that has been presented so far are the **catalytic investments** in RSSH. We very much appreciate the proposal for RSSH Matching Funds that aim to incentivize more high quality RSSH funding requests that strengthen integrated and people-centered health systems. Unfortunately, this proposal has now been reduced again.

The **Modular Framework and Information Note on RSSH** – key documents for the implementation of the next strategy - have been circulated for review without the way forward on RSSH being clearly communicated. The Key Performance Indicators (KPIs), which the Modular Framework should be closely linked to, have not been presented to the Board either. We are wondering about the rationale behind developing these critical documents prematurely. We appreciate that there will be further consultations.

Organizationally, we would also welcome more visibility on plans for the **RSSH team in the Secretariat** and implications of the new strategy for its role in the Global Fund structure and its resources. For example, we believe RSSH Teams should be included in funding request review to the same extent as disease teams.

We are thankful to Board Leadership for the opportunity to discuss RSSH in-depth at the retreat and look forward to continuing the exchange to achieve more clarity and assurance that RSSH investments will be of better quality and the 6 billion USD goal from the investment case is reached (assuming a successful replenishment).

Community, Rights and Gender

In the area of **Human Rights, Gender and Equity** the situation is similar. Relevant KPIs continue to fall short behind targets. The risk report again outlines how **key and vulnerable populations are particularly affected** by the disruptions caused by COVID-19. This underlines the need to increase our efforts towards RSSH and UHC, scale up community-led interventions and invest in programs that reduce human rights barriers to services to mitigate the pandemic's impact on key and vulnerable populations and reduce the gap towards

programmatic targets. The challenges Global Fund programs are facing in these areas are persistent. Also in this area, a comprehensive and holistic approach to how the Global Fund intends to achieve more investments in this area, increase programmatic impact and leverage its diplomatic role is still missing.

Office of the Inspector General

We commend the work realized by the Office of the Inspector General (OIG) and the overall conclusions from the 2021 Annual Report. The key strategic themes addressed by the OIG in the report should be treated as a high priority.

- With the NextGen Market Shaping Framework underway, we expect to see tangible proposals on how to **address supply chain issues**, both pandemic-related and pre-existing, that are disrupting Global Fund programs. In this context, we would like to emphasize the importance of linking the **expansion of wambo.org** as the platform of the Pooled Procurement Mechanism (PPM) to strengthening national procurement and in-country supply chain capacities. We would like to see deliberate proposals on how the Global Fund can contribute to strengthening/ supporting **local/regional manufacturing with a view to enhancing security of health supplies**
- We welcome the call of the OIG for robust processes and procedures as well as mitigation measures to prevent the misuse of Global Fund funds and develop **a formal fraud risk monitoring approach**. What is the Secretariat's plan in this regard?

Seventh Replenishment

We welcome the launch of the important **Investment Case of 18 billion USD**. It will be crucial to reach this amount and make the 7th Replenishment a success and ensure the effective implementation of the next Global Fund Strategy. We look forward to receiving more detailed information during the update from the Executive Director about the activities and timeline the Global Fund is planning in order to achieve this financing goal. Of course, Germany as the G7 Presidency fully supports the Global Fund replenishment and will play its part in the campaign.

Governance

We welcome the proposed changes to streamline **committee mandates** and foster clarity of roles and responsibilities not only between the committees but also in relation to the GFS. We view this as a step forward to making the work of the three committees more efficient. Thus, we concur that the overall risk oversight of the Global Fund lies within the responsibility of the AFC and other specific risks in the other two respective committees.

With reference to the proposed **tenure extension** from two to three years we reiterate our reservation. We deem a three-year term could pose a challenge for many candidates and even keep them from a nomination. However, in relation to the proposed performance assessment cycles we understand the necessity to extend the committee tenure and support the decision point.

We further support the proposed changes to the **Terms of Reference of the Board Leadership**. We agree that a longer term will enhance continuity and thus strengthen

5th of May 2022

institutional knowledge of the Global Fund especially regarding the strategy and replenishment cycle. We are confident that this will enable the Board Leadership to steer us through controversial discussions. Nevertheless, we should also maintain our ability to stay flexible with respect to term-lengths whenever the circumstances demand this from us.

We congratulate and thank the outgoing **Ethics Officer** Nick Jackson for the work he has done with the team in advancing ethics within the Global Fund structures. We welcome the establishment of the **PSEAH Unit** which will strengthen the Global Funds capacity to act upon sexual exploitation abuse and harassment issues. We want to highlight the importance to continue this work focusing on the implementer side.

LAC CONSTITUENCY STATEMENT – 47TH GLOBAL FUND BOARD MEETING

The LAC Constituency Delegation appreciates the opportunity to submit the following comments, inputs and reflections ahead of the 47th Global Fund Board Meeting.

We recognize the persistent challenges facing the Secretariat in 2022 in accelerating delivery of core programs in a COVID-19 context, while preparing for implementation of the next Global Fund Strategy and working to deliver a successful 7th Replenishment.

Global Fund Strategy Narrative 2023-2025:

LAC Constituency highly appreciates the excellent work done by the GFS Team in developing this implementation approach. We recognize the added value of describing the theory of change of the GF model as well as the mini - theories of change (10 changes noted in the Strategy) that are operationalized through leavers for achieving specific outcomes in the implementation process. Nevertheless, we would like to draw attention to the need to continue working through the changes that will be required to improve the Global Fund Business Model with a focus on what would be addressed differently to successfully deliver the outputs and expected impact of this ambitious Strategy.

We are keen to participate in the next special session on Sunday, to receive a more detailed update on the progress on “how to” operationalize the proposed changes in the implementation aspects, and which changes are still required, at several levels, to implement the ambitious new strategy.

We welcome the opportunity to discuss the way the resources will be allocated and used in an effective manner to achieve the expected outcomes.

Finally, we reiterate our previous stated message that the GF has an opportunity to take stock of the lessons learnt through the C19RM mechanism, particularly with regard to data availability and coordination with partners, and determine what can be translated in the GF business model.

Revisions to the Eligibility Policy and Review of 2023-2025 Allocation Methodology:

LAC Constituency notes that there has been no change regarding the use of GNI to determine eligibility since 2013. We underscore our reservation about this approach which seems to maintain the status quo without measuring inequities properly. As we previously stated, we consider that the World Bank should review their qualifying factors, since a national income indicator does not always reflect the overall territory’s situation or measure internal inequities in middle-income countries. Therefore, we propose using allocation indicators such as the GINI index. According to the final report of the Assessment of the economic capacity in the Eligibility Policy and Allocation Methodology issued in September 2021, the reason why the Gini coefficient has not been shortlisted is related to the large data gaps. (Only 64 countries have 2018 Gini coefficient data. Over half of UMICs have been missing data over the last 3 years. The data for 2019 contains even more gaps with only 22 countries having data entries). However, this indicator could be used as a complementary source of information to measure internal inequities relying on its availability.

Based on the proven assumption that there is no “one size fits all” principle, a global formulation will not necessarily be applicable to the situation in every Region, Sub-Region, country and sub-national level. 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. We need to find a tailored approach to identify a set of indicators that could complement and reflect the in-country needs and internal inequities, cognisant that 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.

Concerning the proposed minor revisions to the policy, we welcome and fully support the SC recommendation regarding revising the Small Island Economy definition to allow UMI small states that are not islands, and are eligible for IDA support, to be eligible regardless of disease burden. This is welcomed news for countries such as Belize, Guyana and Suriname that are on the mainland. Moreover, we note with satisfaction the improved consistency through the alignment of the data period for the UMI malaria burden indicators with the Allocation Methodology – i.e., the latest available data for the average of 2000-2004 data; as well as, Malaria partners’ recommendation that there is need to update the drug resistance indicator for accuracy. Furthermore, we also welcome the SC recommendation that the six (6) Transition Funding components from the 2020-2022 allocation period (Armenia HIV, Guatemala malaria and tuberculosis, Guyana malaria, Kosovo HIV and tuberculosis) be eligible for an additional allocation of Transition Funding for the 2023-2025 allocation period considering potential financial and operational setbacks caused by the COVID-19 pandemic.

Unfortunately, the current approach to non-eligible countries was not recommended for revision, we strongly believe that the GF has missed the opportunity to prevent perpetuating emergency situations. Notwithstanding this observation, we believe that Venezuela should be eligible for the three diseases.

Concerning the proposed refinement to the paced reduction components in the Allocation Methodology, LAC constituency supports the 90% limit of previous funding level that allows for a more moderated decrease for paced reduction components in higher funding scenarios, while still working towards alignment to disease burden and economic capacity.

As we have already stated, allocation is not just a matter of 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. 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. Despite the preliminary results of the C19RM in El Salvador that showed impressive recovery due to the implementation of innovative adaptive measures, the Region of the Americas remains heavily affected by the COVID-19 pandemic, with the highest COVID-19 mortality in the world reported by Peru. The GF awarded significant financial support through the COVID-19 Response Mechanism and the Grant Flexibilities, to protect Global Fund’s core mandate of ensuring adequate response and program continuity in the LAC Region. Therefore, decisions related to eligibility 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.

The LAC Region is unique and is a pioneer in relation to elimination strategies for the three diseases, 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. It is also important to note is that those countries which achieved elimination, as in the case of malaria, will in the future require the necessary funding support to sustain their gains, due to the negative impact from the COVID-19 pandemic on the programs and the current 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 achieve programmatic and financial sustainability for the three diseases response. The GF should strengthen actions to galvanise bold leadership at the highest political level with national authorities 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.

Catalytic Investments for the 2023-2025 Allocation Period

LAC Constituency notes with concern the decision about emphasizing the use of Matching Funds while limiting the use of Multi-country Grants and Strategy Initiatives. In agreement with Canada-Switzerland and Australia Constituency, we also would have preferred to see more funding given to TB, in light of TB's contribution to global mortality, its historical underfunding, and the very high risk of not meeting the 2030 targets. The limited funding for Malaria will definitely affect the attainment of Elimination. In addition, several critical catalytic priorities from the current strategy are not proposed for continuation and others only will continue in higher funding scenarios. Under these circumstances we support the concerns of the Private Sector Constituency about the sustainability and transition plan for catalytic investments. In that sense, a more transparent discussion about the rationale behind the allocation of resources to the CI indicative modalities (Matching Funds, SI, MCG) is required.

As we have already stated, the LAC Region has a historical integration process and established mechanisms and experience working together, and we 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 advantage of their added value, complementarity, and articulation to contribute to the attainment of disease elimination in the LAC Region.

Furthermore, technical assistance is one of the main intervention modalities for strategy initiatives and PAHO leads the technical support with the full endorsement of the partnership management arrangements between PAHO and the GF. Main strategy initiatives ongoing projects are related to "Data management", "Integrated laboratories" and "Self-testing on HIV". These strong evidence-based interventions are subjected to a systematic analysis of performance data with a good rate and the lessons learned in the design and results in the operationalization are well documented for decision making process, in contrast with the TERG identified challenges on Strategy Initiatives.

Therefore, we urge the Global Fund to continue financing multi-country grants and Strategy Initiatives through catalytic investments considering a targeted approach based on the realities, data results and achievements of catalytic investment modalities at Regional and Sub Regional level.

Leveraging the role of Committees – Revision of Committee charters (mandate and tenure)

LAC notes with satisfaction the timely proposed changes to improve clarity of roles and responsibilities of each Committee and their complementarity. In particular, we support the recommendation for the Audit and Finance Committee (AFC) to lead on oversight of the Global Fund risk profile, especially whenever the AFC requests and obtains the Strategy Committee (SC) and EGC feedback about specific risks based on their respective mandates. We also identify the need to review how to improve the oversight function at country, subregional and regional level since the virtual mode of oversight is having a negative impacting on grants.

With regard to the recommendation to expand Committee tenure from 2 to 3-year terms, we acknowledge that the proposed tenure extension will increase continuity, improve institutional memory, and also leverage expertise and effectiveness. In addition, this tenure extension will reduce selection and transition process burden while improving the alignment of the individual performance assessments of Board and Committee Leadership with the Global Fund strategy cycles as set forth in the proposed amendment of the revised Governance Performance Assessment Framework that includes a three-year assessment cycle starting in 2024. However, we should seek to balance the rotation principle. In this regard, we would like to propose prioritizing observers' participation from Constituencies that exceed the period during which a constituency would not be represented on a committee. Finally, we support the proposed change to extend Committee tenure as well as the performance assessment cycles from two to three years to align with the Global Funds strategic cycles.

Revision to the Board Leadership Terms of Reference

LAC supports the proposed amendment to the Board Leadership Terms of Reference which will introduce a three-year term for the future Board leadership. This proposal will definitely ensure continuity, leverage expertise, improve alignment with respect to key strategic cycles (replenishment and strategy), and reduce the burden associated with the process

Ethics Office Annual Report and Opinion 2021

LAC would like to express deep appreciation to Nick Jackson, Former Ethic Officer, for his work on SEAH, and we recognize his outstanding contributions to Ethics in the GF, especially for the establishment of the PSEAH Unit which will strengthen the Global Fund's capacity to act upon sexual exploitation abuse and harassment issues. We welcome Ms. Malika Aït-Mohamed who joined the Global Fund as Interim Ethics Officer.



Point 7 - Constituency Statement

Global Fund 47th Board Meeting – May 2022

Point 7 welcomes the comprehensive agenda of the 47th Board Meeting of the Global Fund. We also wish to acknowledge the very effective organisation of this hybrid Board Meeting, which continuing to reduce the CO2 footprint of the GFATM, does allow the opportunity for face-to-face interactions for the first time in two years. Point 7 would like to share this document, which is a statement of the constituency's position on decision points and other documents shared before the Board Meeting.

Eligibility Policy, 2023-2025 Allocation Methodology & Catalytic Investments

Point 7 welcomes the Secretariat initiating a review of the current **Eligibility Policy** in light of the COVID-19 pandemic and the development of the new 6-year Strategy, as well as the consultation and engagement with HIV, TB and malaria technical partners. We agree with the current broad reach and country inclusion of the policy and support the proposed minor revisions by malaria partners and the Upper Middle-Income Small Island eligibility. We are also in support of the six Transition Funding components from the 2020-2022 allocation period being eligible for an additional allocation period, given the evolving impact of the pandemic, and to reduce additional transaction costs for both country stakeholders and the Secretariat, and reduce Secretariat flexibility to support responsible transitions.

Regarding the **2023-2025 Allocation Methodology**, Point 7 welcomes the ongoing and active discussion about how the grant allocation communication can be leveraged to drive RSSH impact but agrees that this is outside the scope of the present decision point. We support the proposed decision point.

Point 7 welcomes developments toward better defining **Catalytic Investments** (CI) and learning lessons from evaluations. Regarding Matching Funds, it is important for the Global Fund to continue monitoring the impact of such incentives and their long-term sustainability. The gradual integration of CI priority areas into regular grants is also important. For some areas with relatively less funding, such as community engagement, we must carefully craft the message so that relatively lower levels of funding is not taken as meaning that those areas are less important. We support the proposed decision point.

Governance: Mandates and Tenure

Point 7 supports the adoption of the proposed revision to the **Board Leadership Terms of Reference**, as it will ensure leadership continuity at critical times for the Global Fund and contribute to the strengthening of trust in the working relationship between all the actors involved and align the Global Fund with other peer organisations. Point 7 thanks the Secretariat for the clear explanations on the **modifications of the Charters**. Recognising that there is a possibility of some members facing difficulties committing for a long period, a three-year term would help reinforce institutional memory and governance effectiveness. Therefore we would support extending the mandates of the committee members to three years, just as it will be the case for the Board leadership. We would ask for clarity on when the interpretative guidelines will be adopted.

Community, Rights and Gender

Point 7 welcomes the leadership of communities living with and affected by the three diseases, including the valuable contribution to ensure that the new strategy has a strengthened focus on advancing community, rights and gender. The planned recruitment of a gender specialist within the Secretariat will be important to build expertise – could there be an update on this?

While we would like to commend the recent progress, we also note the result from the preliminary MOPAN report and the key challenges that remain. To this end, we propose that it will be very important to have appropriate KPIs on community, rights and gender, looking at how CRG is being put at the heart of implementation of all Global Fund funding mechanisms. To complement the KPIs and modular indicators covering these areas we encourage the inclusion of reviews/evaluations that cover these topics in the evaluation plan.

Point 7 compliments the implementation of the AGYW Strategic Initiative of US\$8 million and the additional matching funds that have been made available for 13 AGYW priority countries. How will the GFATM build on those current investments in the 13 priority countries in the new strategy of 2023-2028? How will an enhanced focus on sexual and reproductive health and rights globally be ensured?

COVID-19 and Business Continuity

Despite April seeing the lowest number of reported deaths globally since the onset of the pandemic, COVID-19 is still a public health emergency. Point 7 therefore commends the Global Fund for its continued commitment to ending the pandemic. We would like to hear more about how the Global Fund plans to increase engagement of communities in the C19RM funding requests development and election/decision-making processes of the CCMs.

We are pleased to see operational restrictions have been lifted to allow for essential business travel, as we believe it is critical for the Secretariat to engage with country programmes on the ground. The initial vaccine supply challenges have now evolved into roll-out challenges due to limited vaccine demand and vaccine hesitancy combined with health system capacity limitations, what more can the Global Fund do to work with countries to overcome these challenges and address the pandemic?

The Global Fund in Emergency Settings

Point 7 acknowledges the commendable work that the Global Fund has done to ensure the continuation of service delivery in emergency settings. We strongly emphasize the goal and intention of the Global Fund, to reduce the burden of HIV, TB and malaria particularly for those who are most vulnerable and disempowered. Achieving progress against the diseases is only possible within an enabling and equitable environment, and as such, emphasize the importance of continuing to uphold core human rights and gender equality principles while addressing barriers in challenging operating environments and emergency settings. In this context, we underscore the need to strengthen interventions to protect key populations, adolescent girls and young women, and to further leverage the power of communities to reach those left behind.

We welcome the Global Fund's efforts to respond to new conflicts and crises through the Emergency Fund, and its efforts to ensure continuity of existing programs and services for HIV, TB and malaria in this regard. We welcome the recent replenishment of the Fund to address ongoing crises and conflicts in, inter alia, Malawi, Mozambique, Ethiopia and Ukraine. We

condemn in the strongest terms Russia's aggression against Ukraine and underscore the importance of the Global Fund's ongoing efforts to ensure the continuity of provision of care and treatment in Ukraine and neighbouring countries. Finally, we recognize the important support provided to-date by the Global Fund through the C19RM and welcome the ongoing efforts to provide continued support to countries in their COVID-19 response and ability to mitigate the impact of the pandemic on HIV, TB and malaria services.

M&E and 2023+ KPI Framework Development

Point 7 thanks the Secretariat for a thorough and comprehensive process. We appreciate the Secretariat's collaboration with the Strategy Committee M&E informal working group as an opportunity for a more informal exchange on the process. The proposed process and criteria make sense and we are looking forward to strategic and relevant KPIs as "proxy indicators" allowing us – in particular the board and committees – to follow the Global Fund's performance.

The link between the ToC, particularly the medium and long-term outcomes and the KPI and modular indicators could have been made more explicit in the *Update on the M&E and KPI framework development* document. We do therefore have a couple of questions to add clarity to this:

- a) The process for identifying a short list of KPI and modular framework indicators seems useful and thorough. However, it is important that the KPIs reflect an appropriate balance between intermediate and long-term outcomes aligned to the Strategy objectives. How will you ensure in the process of shortlisting the KPIs that you have a balanced number of indicators per long term and corresponding medium term per outcome areas?
- b) Could you please provide some more information regarding what level the KPI and modular indicators will be pitched at? For example; will the indicators be at both output and outcome level? Could they be mapped to the outcomes and sub-outcomes listed in the ToC on page 25 in the *Update on the M&E and KPI framework development* document?

Preparations for Strategy Implementation

Point 7 welcomes the Secretariat's efforts on updating the progress on strategy implementation, including the special session on Sunday, recognizing this is a tremendous amount of work across departments. However, it remains challenging to see which changes should be prioritized, as well as a differentiation between types of changes – from the Secretariat actions to changes requiring strategy committee and board decisions. Important that we keep a focus on strategic decisions at the board and strategy committee levels. Also, note that there are some important choices to be made, such as between RSSH and commodities for the three diseases, and in terms of the Global Fund's role for pandemic preparedness and response activities (with or without a Financial Intermediary Fund). In both of these examples, hopefully there is a reasonable middle ground where synergies can be maximized.

We welcome the clear presentation on RSSH with a commendable focus on lessons learned and placing the Global Fund within the broader context of RSSH investments and stakeholders at country level. The presentation also provides important clarity in terms of what specific RSSH functions the Global Fund could address. In the RSSH vision for the next cycle we would

welcome a stronger focus on delivery through partnerships both globally and at country level, thus allowing the Global Fund work to be even more catalytic in nature. We would also like to see “integrated, people-centred quality services” more central to achieving impact rather than as an add-on as it’s currently formulated in the vision – indeed RSSH should not be seen as a stand-alone priority, but rather as a key to achieving impact across the three diseases and beyond. While delivery of integrated, people-centered quality services was referred to as one of the key areas in the new Strategy, its operationalization is not very clear from the RSSH implementation background document. Context with the Global Fund playing a unique and critical role in global “systems for health” ecosystem should not be limited to mapping of key financiers, but also include technical partners. Collaboration with technical partners is important, especially considering that technical assistance has not been effective or specialized enough. We suggest that technical support be closely coordinated with technical agencies such as WHO and others, while acknowledging the need to further strengthen these partners’ ability to meet the needs in a timely and effective manner, particularly at country level.

The suggestion to strengthen national RSSH plans and national Strategic Plans could benefit from being framed as strengthening alignment with NSPs with key partners to improve the quality of funding requests, rather than strengthening of the national health sector plans. A differentiated approach for RSSH based on country context and national plans will remain important. We welcome strengthening the country engagement and dialogue for improved RSSH investment. Furthermore, country dialogues could consider expanding representation of stakeholders to bring in wider voices, in addition to ensuring senior level engagement.

The focus on investments in health management information systems (HMIS) for strengthening routine reporting remains important and we welcome HMIS objectives meeting the needs for both HTM, PP and RSSH. While investments in human resources for health have been focused on community health workers, there could be a need for more system level investments on HRH focusing on issues such as accreditation, licensing, supportive supervision, pre- & and post service education – all issues that are linked to improvement towards quality of care.

Annual Report and Opinion of the Ethics Officer

Point 7 commends the efforts undertaken by the Ethics Officer and his team on the annual report and on the completion of the CCM Code of Conduct Strategic Initiative. We support the efforts undertaken on Protection from Sexual Exploitation and Abuse, Sexual Harassment (PSEAH), and Related Abuse of Power. We also support the Ethics Officer’s comments on the ethical component of the new strategy implementation, especially regarding the need to adequately respond to the planned PSEAH risk and capacity assessments, alongside the ongoing due diligence and anti-corruption work. Also to seize the opportunity presented by the planned Responsible Procurement Framework in implementing countries, in order to drive forward with clear accountability for environmentally and socially sustainable health procurement. More specifically, regarding the three Agreed Management Action (AMA) that remain open, when will they be completed and what are the main challenges causing their delay, apart from having prioritized the PSEAH framework? When will the strengthening of the anti-corruption framework be completed? Point 7 would also like clarity on the remarks that the psychological safety needs to improve across the Secretariat (p3, 4, and 11) and would like to hear how the Secretariat would propose to respond to these remarks.

OIG 2021 Annual Report and Annual Opinion on Governance, Risk Management and Internal Controls

Point 7 hope the notable increase in reports of sexual exploitation and abuse, and of human rights violations is due to increased reporting and not that the underlying trend is on the rise. In 2021, the Global Fund has developed a framework for the prevention of SEAH: we ask the Global Fund to focus on implementing the framework (disruptions due to the pandemic), at country level and especially in high-risk environments. Point 7 would like to reiterate our zero-tolerance towards inaction against SEAH. While we appreciate the efforts and progress made on anti-corruption and fraud policy mechanisms, we are concerned by the policy's timely implementation and urge the GB to provide an update on the matter. We are all keen to avoid a repeat of the lag in Secretariat reporting of possible fraud cases as seen in the Liberia case. We agree with the OIG's recommendations to activate periodic monitoring, adapt mitigation measures, and develop a formal fraud risk monitoring approach. On the same matter, and while we appreciate the recruitment of a cadre for the Ethics Office, we urge the Global Fund to embed management of ethics and risks into core operational processes. As mentioned in the preliminary findings of the Global Fund evaluation by MOPAN, Point 7 would like to reiterate the Board's previous calls to accelerate the implementation of the policy on anti-corruption and fraud, as the resolution of nearly one-third of agreed management actions are overdue.

Risk Management Report and Annual Opinion of the Chief Risk Officer

The Report highlights the question of balancing risk with opportunities, for instance in case of local procurement of commodities. On the one hand, it appears the Global Fund advocates for the use of central procurement functions largely due to increased fraud risk in local procurement. On the other hand, what risks, or opportunities lost, does this lead to with respect to future transition of countries? The question above leads us to ponder upon how we balance different risks (and its risk taking) up against each other and against overall attainment of The Global Fund's goals (for instance sustainability versus disease-related outcomes)? We note that some of the weaknesses highlighted in the preliminary findings of the latest MOPAN report, including on SEAH and human rights and gender equality, is also reflected in this risk report. We would like to stress the importance of ensuring that relevant risk mitigation efforts are progressing without delays.

Update on Resource Mobilization and the Seventh Replenishment Campaign

Point 7 thanks the Secretariat for the report but would welcome further elaboration on the risk and risk mitigation activities to the Seventh replenishment. The volatile environment due to the war in Ukraine may cause shifting priorities for donors, in addition to increased pressure on ODA. Furthermore, donors may shift priorities towards UHC and health system strengthening. In this regard Point 7 underlines the anchoring of the ask in the broader SDG 3 framework, including health system strengthening, and that the Global Fund succeeds to make a plausible case on this.

Private Sector Constituency Input

47th Global Fund Board Meeting, 10-12 May 2022

The Private Sector Constituency (PSC) appreciates the opportunity to share the following cross-cutting comments ahead of the 47th Global Fund Board Meeting. We acknowledge the Secretariat's extensive efforts to provide the Board with implementation plans for the new strategy, including the comprehensive Theory of Change and detailed catalytic investments proposals.

While we recognize the tremendous work done to date, we believe there is still work remaining to bring the Board along with full confidence in how the Global Fund partnership will implement the new strategy. We recognize that business as usual is not enough to get us back on track in the fight against HIV/AIDS, TB and malaria, let alone address preparedness for future pandemics. As a Board, we have the responsibility to pressure test the Secretariat's implementation plans and drive accountability to achieve the ambitious goals before us.

Our overall comments for consideration are summarized as follows:

- We continue to feel that a holistic view of strategy implementation plans has not been adequately presented to the Board. We hope that the informal session on 8 May will help to provide space for discussion of how the various disparate elements will come together to be greater than the sum of their parts.
- The Board must be consulted on the M&E Framework and KPIs prior to the November decision point to ensure buy-in and confidence in the ability to course correct strategy implementation in a timely manner.
- How all TB levers fit together to dramatically increase the Partnership's ability to address TB remains unclear to us.
- Clarity on impact, sustainability and transition plans for current catalytic investments must inform our decisions related to catalytic funding for the next allocation. The Global Fund must ensure investments result in change that outlives any specific initiative.
- To achieve the strategic goal of accelerating equitable access to new tools and innovation, the NextGen Market Shaping catalytic priority must be appropriately resourced and accountability driven through a Board-level KPI.

Specifically, we look forward to discussion on the following points:

- We would like to better understand **how the decisions before us on Eligibility, Allocation Methodology, and Catalytic Investments together represent the best allocation of resources to support strategic priorities**. How are Catalytic Investments anticipated to impact value for money, absorptive capacity and programmatic quality in key grants? How should we consider the current proposed Catalytic Investment thresholds at lower Replenishment scenarios – what are the

impact trade-offs of allocating more to Catalytic Investments versus country allocations at lower scenarios, considering the parallel impact of lower Replenishment scenarios on scale-up/paced reductions and lower funding availability for TB per the Global Disease Split?

- While recognizing they are not for decision at the 47th Board Meeting, we would like to stress that the **M&E framework and KPIs should inform our ability to course correct strategy implementation in a timely manner**. The KPIs and M&E framework must have utility for the Board to understand the impact of our decisions and Secretariat actions on the ability of in-country programs to demonstrate impact for communities affected by the three diseases. We strongly believe that the Board must be consulted on draft KPIs before they are brought forward for decision, as no amount of expert consultation can replicate perspectives of those who will need to use these KPIs to execute their oversight and governance duties.
- **We are keen to better understand how current proposed levers will fundamentally change the game for TB.** We note that at the BM46, the Board agreed that the Global Fund must substantially increase impact for TB utilizing all available policy levers, including through catalytic funding. We appreciate the proposal to primarily dedicate catalytic funding through Matching Funds for TB, recognizing the need to incentivize domestic focus on impact in high-burden countries. We also recognize that catalytic funds outside of those specifically allocated to TB are planned to be leveraged to drive impact for TB, including through innovative financing approaches. How these levers all fit together to dramatically increase the Partnership's ability to address TB remains unclear.
- We note that several catalytic priorities from the current strategy are not proposed to continue. **What is the sustainability and transition plan for catalytic investments?** How do we ensure investments result in change that outlives the initiative? We would like to better understand which past initiatives are not continuing because they haven't achieved optimal results, and what we can learn from those initiatives, and which are not continuing because the initiative has been successful. For those that have been successful, we would like to better understand how the outcomes are being taken forward – are learnings now routine practice within country grants or Secretariat operations? For example, will countries continue to be able to access products currently procured through a strategic initiative after it ends, and will work on supply chain improvements continue to have support for further scale-up? Clarity on outcomes and impact of catalytic investments will better enable the integration of these initiatives moving forward.
- While the Strategy explicitly outlines the acceleration and equitable introduction and scale-up of new tools and innovation as a key pillar, implementation plans seem at odds with how this will be achieved. **We would like to better understand the Secretariat's approach to introduction and scale up of new tools and innovation**, starting with a common definition of innovation and Value for Money across the Global Fund Partnership. To ensure accountability of the Global Fund's critical role in this strategic pillar, we emphasize that we would like to see a meaningful Board-level **KPI on introduction of innovations, new tools and technologies**.

As an example, the NextGen Market Shaping is proposed as a key enabler of the Strategy, specifically for its role as an accelerator of progress towards equitable access to new tools and innovation. The highest Replenishment scenario acknowledges this and allocates resources accordingly, but the rapid scale down of the NextGen Market Shaping priority in lower scenarios sends concerning and contradictory signals. The rationale presented is that a rapid reduction in

NextGen Market Shaping is warranted, “as the procurement of new products will depend on having sufficient funding in the country allocations.”

Should we take from this that the Secretariat believes lower levels of country funding somehow justify use of interventions and products no longer considered best practice? This would seem to miss the point that the NextGen Market Shaping Strategy is intended to create the ability for countries to access improved tools that represent better value for money, achieving greater impact with the funds available. **The NextGen Market Shaping priority must remain well-resourced across different Replenishment scenarios to enable the Global Fund to achieve its goals and impact on the three diseases.**

While the Secretariat states that the Global Fund has limited ability to drive programmatic adoption of new tools and innovation, we would posit that the Global Fund has greater ability to do this for the three diseases than any other stakeholder and has a responsibility to take this role further.

THE SOUTH EAST ASIA (SEA) CONSTITUENCY

The Global Fund

To Fight AIDS, TB and Malaria

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Date: 5 May 2022

THE SEA CONSTITUENCY STATEMENT FOR THE 47TH BOARD MEETING OF THE GLOBAL FUND

With prayers that the COVID-19 is now being managed to the extent that the Global Fund is able to call a hybrid Board Meeting is comforting. The SEA Constituency is optimistic that 47th Board Meeting will be able to take landmark decisions on its next Strategy and hopeful for successful Seventh Replenishment making the Global Fund attaining its ultimate goals more realizable. We congratulate the Board Leadership Committees and the Secretariat, despite the interruption of the COVID-19 pandemic, has been managing the affairs to the satisfaction of partners with the Secretariat's Four-Pronged Response and C19RM. The redefined vision of the Global Fund will go a long way in prevention of pandemics and its effective management in the event if any.

The SEA, with new BM from India and ABM from Indonesia has the larger CCM member nations, and with ease in pandemic situations, hopefully be able to play a dynamic role in the success of the new Global Fund Strategy. The SEA as it looks forward for a fruitful 47th Board Meeting takes the privilege to offer the following for kind consideration:

1. COVID-19 and Business Continuity :

The SEA Constituency accolades the Global Fund Secretariat for sharing this update of the impact of COVID-19 and managing well by protecting the staff of the Secretariat, continuing work on the core mission, supporting countries to respond to COVID-19 and its impact, and playing a key role in the global COVID-19 response.

We are more than pleased to note that Global Fund staff are now able to see their colleagues in person with minimal risks. We thank the Secretariat in continuing to ensure sustained progress on the Global Fund's core mission in the evolving environment through a focus on core operations, continued and robust Business Contingency Planning (BCP) and extensive risk monitoring; the latest updates on awarding Global Fund-supported countries with emergency resources through the COVID-19 Response Mechanism (C19RM); and the areas in which the Secretariat is playing a role as part of the global community of international organizations fighting COVID-19 (such as through the Access to COVID-19 Tools Accelerator or the ACT - Accelerator), where a latest positive announcement was by Development Minister of the Germany on the occasion of World Tuberculosis (TB) Day to make additional €175 million available to the Global Fund's COVID-19 Response Mechanism (C19RM) more such commitments may break even the issue of equity of access.

These are all some of the key aspects of sailing fairly well despite the challenges of COVID-19 pandemic. We are hopeful that the Global Fund Secretariat would in line with finalizing the Strategy 2023-2025 which has a vision of a world free of the burden of AIDS, tuberculosis and malaria with better, equitable health for all, which will kick off much better as days normalizes. We also hope that

with the progress along the way the Global Fund will be prioritizing to build the capacity of the CCMs.

2. Update on Preparations for Strategy Implementation

The SEA Constituency appreciates the Secretariat's effort and welcomes the updated documents on preparation for strategic implementation. Given the complexity and cross-cutting nature of the strategic implementation, applaud the Secretariat in breaking down different dimensions of works. Using Theory of Change for Strategy delivery is quite deemed logical thinking. We support the work progress summary capturing key challenges, scope of work and success vision, current work areas and using the Global Fund inputs/levers in demonstration of major change. We found some key issues should be better elaborated by cross-cutting approaches such as the Global Fund policies, the Funding Request/Grant-Making process with more flexible adaptation to HTM based on differentiation and country context and under key change in CCM role and accountability. Implementation mechanisms and performance management that consider the balance between country ownership and level of prescriptiveness across the different levers is also critical to solution.

In this regard, we consider enabling the implementation with the following emphasis:

- 1) The key change of 'People-centered Integrated Systems for Health' needs a clearer outcome-based and holistic approach of levers for the Global Fund strategy implementation. Under RSSH country approach, our constituency's view insists that strengthening primary care services should be vigorously emphasized, instead of broad and silo interventions of RSSH;
- 2) Advantages of focusing on primary care strengthening will be benefit for other interventions including integration of HTM service packages into national health financing or country scale up of UHC, and promoting effective pandemic preparedness and response capacity at periphery level of services; and

- 3) To support in-country actions toward the Strategy Objective: ‘Maximizing the Engagement and Leadership of Most Affected Communities to Leave No One Behind’, our suggestion of implementation will inevitably focus on initiating and supporting community-led services including their legalized status within national regulation as well as enhancing community-led monitoring capacity as part of CCM oversight and decision-making.

Above all inputs/levers and given CCM as central of in-country levers, we propose aiming to empower and support in-country actions, the revision of CCM roles, accountability and mechanism enabling partnership with its capacity development based on differentiation approach. The key areas to strengthen CCM in the new ecosystem should cover building its capacity for strategic decision making and positioning of CCM to work in harmony with relevant national entities, enhancing more meaningful engagement of community and affected population, and building robust oversight capacity including monitoring progress and program evaluation on intermediate and long-term outcomes. At this stage of discussing strategy implementation toward key changes, we reiterate that it is time for the Board to affirm more concrete actions to support countries, as the Global Fund’s actions, efforts and investments are to work in partnership with governments, civil society, technical agencies, the private sector and people affected by the diseases.

The changes in the strategy implementations will collectively lead us to a sustainable progress in reducing incidence along with achieving health and wellbeing for all.

3. Revision of the Eligibility Policy

The SEA Constituency agrees with the Revised Eligibility Policy approved by the Strategy Committee of the Global Fund, we add that minor revisions are made to the UMI Malaria burden metric, the alignment with update terminology of IDA regarding small economy terms, and allow the current 6 Transition Funding components be made exceptionally eligible for one additional allocation for

Transition Funding in the 2023-2025 allocation period to mitigate the impact of the COVID-19 pandemic.

4. Allocation Methodology for the 2023-2025 Allocation Period:

The SEA Constituency notes the technical partners' recommendations on disease burden parameters and qualitative adjustments; which can adequately address and respond to needs of countries with low prevalence and countries in the verge of ending diseases, the contextual factors that cannot be captured otherwise.

Also, refinements done in the allocation formula ensures that the scale up components receive significantly more funds while the paced reduction components do not get significant reductions. These refinements will provide a better allocation methodology, one where adjustments can be made to avoid adverse effects. The maintenance of current burden indicators for the three diseases will enable the Secretariat in following consistency in the allocation methods. Further development and refinement of the qualitative adjustment process in July 2022 will be awaited. The allocation methodology approved is highly appreciated.

5. Catalytic Investments for the 2023-2025 Allocation Period

The SEA Constituency supports the plan for the total amount of sources of funds for allocation for the 2023-2025 allocation period to be decided in November 2022 to be determined by the total amount of sources of funds for allocation with the Secretariat being delegated authority to increase the amount of funding available for the Emergency Fund.

There is a significant increase in proposed investments in Community led monitoring processes, and significant decrease in CCM allocations. Given the urgent and critical need to ramp up capacities of members, especially from outside the government sector, to meaningfully engage and to make

decisions, we suggest that the CCM budget allocations should not be reduced. Alternatively, we suggest that reviews and reports of the Community led Monitoring component should be periodically shared and discussed with CCM membership especially with non-government, community, and civil society representatives, for recommendations on ways forward.

6. Update on M&E and 2023+ KPI Framework Development

The SEA appreciates the much progress of the Secretariat's work on M & E and KPI Framework development from the approach that initiated to include aspects of people centered integrated systems for health to deliver impact, resilience and sustainability; health equity, gender equality and human rights; engagement and leadership of most affected communities to leave no one behind, which are critical impact in the fight against HTM diseases, to further requiring a huge amount of work under a series of inclusive expert consultations.

We welcome the overview of the M&E and KPI Framework development process and preparation of the Multi-Year Evaluation Calendar for the new strategy. We anticipate that the proposed M & E Framework built on the Global Fund Theory of Change logic is critical and comprehensive to cover all the high-level structure of the Strategy KPI Framework and Modular Framework for grant performance and country evaluation. We look forward to having discussion on the detailed KPI proposals with a list of prioritized indicators and appropriate targets and to operationalize into the Multi-Year Evaluation Calendar. Given lessons learned that KPI and non-KPI measures need to be clearly accounted for in the strategy impacts and programmatic outcomes at global and country levels. We are also aware of the huge requirement for long-term improvement of the Secretariat and integrated country data system for decision-making.

In this context, we suggest the inclusion of an indicator to assess effective engagement of the GF with the CCM, especially with non-government representatives in country representatives including KP, civil society, academic, and other members.

The TOC (Theory of Change) uses language that appears to (wrongly) suggest that the HTM project is a transactional enterprise. We suggest that a small change in language may help to promote the replenishment objectives more easily as well as better reflect the ethos of the SEA constituency's efforts to address HTM in this part of the world. For e.g. the first box of the TOC can be reframed as "Mobilize financial resources, and political will, and scientific/ technical assistance and promote inclusive and ethical processes.

7. Governance: Mandates and Tenure Decisions -

- **Board Leadership Terms of Reference**
- **Revisions to the Committee Charters**

The SEA Constituency is happy to endorse the revisions and changes on Mandates and Tenure Decisions in Board Leadership Terms of Reference Revisions to the Committee Charters. These progressive reforms would enhance the commitment and interest of the members who are normally expected to contribute a substantial amount of their time for works pertaining to the Global Fund.

Lastly, the SEA Constituency would like to join all other Constituencies of the 47th Board Meeting of the Global Fund for a successful session.

(Dasho Kunzang Wangdi)

Board Member of the Global Fund

UK Constituency Statement

47th Board Meeting of the Global Fund to Fight AIDS, Tuberculosis and Malaria

6th May 2021

The UK thanks the Secretariat for the preparation for the 47th Global Fund Board Meeting.

We greatly appreciate the breadth and depth of the work by the Secretariat on strategy implementation, as set out in the papers for this meeting.

A clearly articulated implementation approach is essential to realising the ambition of the new strategy. However, we remain concerned that the measures currently proposed will lead to incremental rather than the transformational change needed to accelerate and sustain progress on ending the three diseases. We want to see more ambition in the proposals for new and updated structures, incentives, guidance, tools, support, and business model adaptations to ensure that Global Fund investments successfully address inequalities and inequities, build strong and resilient systems for health including community systems, provide integrated people-centred quality services, focus on prevention, and become more sustainable.

For example:

- (i) Careful consideration of **CCM composition and functioning**, ensuring that CCMs are equipped to address the full breadth of issues needed to deliver on the new strategy
- (ii) A review of **incentives** including how to balance the current focus on absorption with an equally strong focus on quality and sustainability of outcomes. The KPIs and grant performance frameworks are important aspects of this. They need to cover all critical areas of the strategy including gender equality. The framing provided by allocation letters is another important factor and should encourage and/or require support for community, rights, and gender and RSSH.
- (iii) Assessment of the **barriers to change** in terms of business model processes, with a specific recommendation to make integrated Funding Requests the default setting, with countries requesting exceptions to this as needed for their contexts.
- (iv) Assessment of technical assistance **support needs** and how well partners are configured to deliver against these with clear asks to partners and accountability frameworks. Consideration of Secretariat staffing, in the context of discussions around OPEX, to ensure appropriate support to country teams including on community, rights and gender and RSSH. Development of high-quality guidance for countries.

We welcome the pre-Board discussion on strategy implementation and in particular further discussion on increasing our collective ambition on RSSH implementation. Looking forward, we see a continued need for Board engagement on finalising the implementation approach including, for example, to review the KPIs in advance of the November Board.

Lastly, we look forward to joining other constituencies in-person and virtually over the 47th Board meeting and thank the Secretariat for its effectiveness in arranging a hybrid Board. We look forward to the continued discussions at this critical milestone.



UNAIDS Constituency

Statement in advance of the 47th Board Meeting

The UNAIDS constituency appreciates the opportunity to participate in a hybrid Global Fund Board meeting (including in-person attendance), for the first time since November 2019. The constituency wishes to congratulate the Global Fund secretariat, Board, Committees, and the entire partnership for continuing to implement the business of the partnership over the past two years, despite the disruptions caused by COVID-19. We especially want to congratulate countries and communities for their robust responses to COVID-19, and adaptations put in place to stem the reversal of gains made in the fight against HIV, TB and malaria. The Global Fund Executive Director and secretariat, the Board and the entire partnership deserve commendation for rapidly implementing the COVID-19 Response Mechanism (C19RM) that has provided rapid and flexible funding for countries to respond to the pandemic, adapt HIV, TB and malaria programmes, and strengthen health systems. More needs to be done, as COVID-19 is not over yet. As noted in the OIG's report and the 2021 Results Report, progress against HIV, TB and malaria has reversed for the first time in the organization's history. To recover, sustain and increase impact, the Global Fund's operating model needs to constantly adapt, and adopt differentiated approaches to both risk and operations, paying special attention to key and vulnerable populations. The partnership must work harder still and move quickly and decisively on implementation of the new Strategy, to overcome the remaining threat of COVID-19 and get back on track to achieve the 2025 targets and 2030 goals.

The 7th Replenishment

The UNAIDS constituency is fully supportive of the 7th Replenishment, and the Investment Case that calls for \$18 Billion for 2023 – 2025 (as a 'floor', not a 'ceiling' amount). We are fully mindful that the amount represents 14% of the total need for the period, and domestic resources must be scaled up to provide 45% of the total amount of \$130.2 Billion (or \$58.4 Billion). These amounts are aligned with the Global AIDS Strategy projection of at least \$29 Billion being required yearly for the AIDS response by low- and lower middle- income countries if we are to reach agreed targets.

The UNAIDS constituency is pleased to be a strong partner in this endeavor, and already has a roadmap to support the Global Fund partnership to achieve a successful replenishment. As part of this roadmap, from 10 – 12 April 2022, we co-hosted an advocacy and mobilization meeting

with the Global Fund African Constituency Bureau (ACB), to galvanize support among 19 African countries for them to plan for increased domestic resource mobilization, as well as seeking opportunities at all levels (including at Heads of State level) to advocate for a successful 7th Replenishment. Senior NACC officials from these countries were present, as well Global Fund ESA and WCA Board members. At a follow-up meeting in Addis Ababa on 29 April, the outcome statement from the Nairobi meeting was discussed and adopted by representatives from 44 African countries. These engagements will be replicated in other geographical areas, and we will continue to advocate with donors at the level of our principals, for a successful replenishment

Catalytic funding

The UNAIDS constituency welcomes the use of catalytic investments to provide centrally organized guidance and support for areas that country grants may not be able to cover and supports the principle that these investments have the potential to foster cross-learning across countries.

To provide full disclosure, the UNAIDS constituency is administering some of the current catalytic investments (e.g., UNAIDS secretariat and UNFPA – condom programming Strategic Initiative 2020 – 2022). We find that catalytic investments have the potential to revitalize areas that are critical for grant implementation (in this case, HIV prevention) across countries, and lessons from these catalytic investments can be mainstreamed across Global Fund grants through lessons learned.

However, it will be important to design evaluations of the catalytic investments to make them relevant to the selection of subsequent investments, so that these evaluations inform decision-making. It may also be important to revise and strengthen the participatory nature of selection of areas and defining amounts for funding. While the process worked well in certain areas (e.g., HIV Situation Room), we understand some partners felt that they were presented with already-decided areas and amounts of funding for the catalytic investments.

Strengthening Integrated, People-centered Systems for Health

The UNAIDS constituency welcomes discussion in this area, as this is critical if the ambitious Global Fund strategy is to be implemented successfully. The introduction of the RSSH Matching Funds to catalyze activity in this area is very much welcome.

While support in this area (including support to community-led delivery platforms and systems) is of critical importance to achieve our targets, we feel that funds for RSSH can best be programmed through existing channels (and NOT through a separate RSSH window) as this will further fragment funding and will likely decrease core allocations to HIV, TB, and malaria. We are of the opinion that sufficient policy levers exist (including policy/systems incentives, country engagement and technical support through targeted specialist TA, among others) to drive a country-led process of significantly investing in this area.

Community Rights and Gender

We note the level of investments in countries not part of the breaking down barriers initiative remains far below the target at 1.69% of HIV grants. While there has been an increase in the proportion of investments in programs for HIV prevention for key populations in NFM 3, at 7.7% this is significantly below the 10% target for KPI 5A and that progress is primarily attributable to a small number of high impact portfolios.

We welcome the building on the lessons from the breaking down barriers initiative; and think we must act with increased urgency (not waiting for the new cycle of grant) in finding ways to incentivize increased and ultimately sustained investments as well as commitment to country ownership, of comprehensive programs and initiatives to reduce human rights related barriers. While the ten areas of focus identified in the CRG report provide a good basis for accelerated action across the Global Fund and its portfolio of investments, we need to quickly step up our ambition in how this is operationalized, to reflect the centrality of human rights and gender equality to everything the Global Fund does. We have seen with COVID that better, more granular and up-to-date data is not only needed, it is possible, and this needs to be applied to key populations as well as human rights and gender interventions. The Global AIDS Strategy provides a good platform to step up how we track and measure progress on removing punitive laws, ending criminalization, and ultimately transforming the legal environment. We recognize that work in this area is and must continue to be across the partnership, and we look forward to furthering collaboration in this area.



Constituency Statement

47th Global Fund Board Meeting May 2022

The Western Pacific Constituency (WPC) expresses its gratitude to the Global Fund Secretariat for the hard work that has gone into the preparation for the 47th May Board Meeting as well as its tireless efforts to maintain support to countries around the world to make progress in their fight against the three diseases and grapple with COVID-19. We salute the dedication of the staff in keeping the Fund's work on track during the very challenging times of COVID-19, by which many have been directly affected. We commend the Global Fund for the very significant contribution that it has made to addressing the COVID-19 pandemic and acknowledge the additional burden this has put on the staff.

Annual Update on Community Rights and Gender

The WPC welcomes this informative report and commends the Secretariat for the thoughtful analysis. It is gratifying to read the progress made in the five areas of work focused on in the report, while noting the ongoing challenges. It is worth noting that progress has been significant in the countries where special initiatives have been implemented such as Breaking Down Barriers. It is of concern, however, that progress in investment in HIV prevention for key populations was primarily attributable to four countries. Inevitably this raises the question of how similar progress can be achieved in many more countries.

The WPC commends the effort made to support populations where CRG issues have been exacerbated by the COVID-19 context and to engage communities in the C19-RM planning and implementation. We appreciate the 10 concluding considerations of the report, all of which should be taken into serious consideration and lead to committed action. We also support the use of catalytic investments to further progress CRG aims, based on their impact to-date. We agree that HIV prevention for AGYW in Eastern and Southern Africa should be a very high priority, including that better understanding of, and commitment to, CRG across the Secretariat and CCMs is critical and acknowledge the efforts made to achieve this.

Strategy Implementation Preparations

The WPC recognizes and appreciates the considerable work of the Secretariat on the approach to strategy implementation, especially the efforts to apply a theory of change (ToC) and the use of this approach by working groups on the ten key change pathways. The WPC notes that the ToC is structured around the 10 "priority changes" and the "levers" to be applied to them, rather than around the Strategy objectives and sub-objectives. We hope that the ToC logic has also been applied to the Strategy objectives and sub-objectives to consider the associated assumptions, dependencies and conditions that underlie their achievement. We believe this could lead to some significant changes, to the "levers" to improve the Global Fund business model. Review of possible changes to 'Grant design, review and

approval' should draw on TERG, TRP and OIG reviews, and every effort made to address the obstacles to achieving optimal outcomes for RSSH and CRG.

The WPC considers that at this stage of preparation for the next funding round, fixing a quantum of funding for RSSH would likely be problematic. We would, however, support a more prescriptive approach to the process of preparing, reviewing and approving RSSH funding requests, including concrete and significant changes in the use of levers where appropriate.

The WPC welcomes the introduction of a matching fund catalytic initiative on RSSH but believes this must be accompanied by a different approach to development of RSSH funding proposals and grant implementation.

Revised Eligibility Policy

The WPC supports the minor changes made to the Eligibility Policy as well as the Eligibility of the 2020-2022 Transition Funding Components for an Additional Allocation in view of the COVID-19 impact.

Allocation Methodology

The WPC notes and supports the Strategy Committee's recommendation to accept the revised Allocation Methodology.

Catalytic Investments for the 2023-2025 Allocation Period

The WPC supports and accepts in principle the rationale for the topics and funding levels for the proposed catalytic initiatives (CI). We welcome a shift towards more matching fund investments and fewer strategic investments (SI), while recognizing that some SIs are essential.

We also support the call from other constituencies for there to be full use of information on the performance and impact of current CIs, including that provided by the TERG and OIG, to inform the continuation, modification or reconsideration of similar investments going forward. Monitoring of performance effectiveness and efficiency of CIs should be ongoing throughout the grant lifecycle and adjustments made as needed.

The WPC does not consider that application of a cap on CI spending would necessarily be the best option in the event of an exceptional replenishment. However, should there be majority support for a cap we would prefer the proposed \$1.1 billion level to any lower level.

Update on Monitoring & Evaluation and KPI Framework Development

The WPC congratulates the Secretariat on the extensive work that has been carried out on the development of the M&E and KPI frameworks and the establishment of the M&E unit within the Global Fund and the Independent Evaluation Panel. We consider these activities are going in the right direction for a high-quality M&E mechanism. We would like to see the ToC, elaborated as appropriate, applied to the Strategy objectives to further inform the M&E framework and the identification of areas that merit monitoring or evaluation.

The WPC looks forward to further understanding how the independence of the evaluation function will be guaranteed in practice, as operating procedures are developed. We are also keen to see the development of the formal process by which evaluation recommendations will be reviewed, responded to and acted upon as appropriate, as well as the process to maximize learning across the Global Fund. We expect that high priority will be given to these topics as soon as the CELO and IEP are in place. The development of the multi-year calendar of evaluations should be a high priority,

especially to identify evaluations that need to start very soon, to avoid being in a situation where they are too late to be useful in the next funding round. The comprehensive review of the Allocation Methodology is one such topic.

The WPC supports the requests made at the SC meeting for enhancement of performance reporting and we look forward to the Secretariat's proposals for how to complement the KPIs with additional information from various sources.

Board Leadership Selection Process Terms of Reference (TOR)

The WPC commends the thorough review carried out by the EGC and the notes and supports the proposed changes to the ToR of the Board Leadership, specifically a change to a three-year term.

Leveraging the Role of Committees and Committee Charters & Tenure

The WPC welcomes the advancement the Governance Action Plan 2.0 (GAP) objective to "Leverage the role of Committees", specifically, recommendations by the Ethics and Governance Committee to revise the mandates and tenure of the three Standing Committees of the Board. WPC supports the changes proposed as well as the recommendation to expand Committee tenure to 3-year terms.

Ethics Office Annual Report and Opinion 2021

The WPC considers it of interest that the Ethics Officer considered that the Global Fund "is currently at the low end of the 'Adapting' level in the Ethics & Compliance Initiative's (ECI) five level High Quality Program Measurement Framework2" with the Managing and Optimizing levels yet to be attained. It is, however, reassuring that the Ethics Officer was "not aware of any allegations of ethical breaches that the organization has failed to address according to its currently approved policies and procedures".

The WPC appreciates the effort that the Secretariat is making with respect to ethics and integrity. We note the approval of the PSEAH Framework and action plan and the implementation plan for the Policy to Combat Fraud and Corruption and commend the high level of progress against the 2021 deliverables.

Risk Report and Chief Risk Officer Annual Opinion

The WPC notes the risk report and is pleased to see that towards the end of 2021 there was some easing in the direction of travel of risk levels. We commend the effective management of risk during the more difficult period of the COVID-19 pandemic while noting that 2022 is expected to be another challenging year.

OIG Annual Report 2021

The WPC commends the comprehensive report from the OIG, which provides adequate detail along with easy-to-use graphics and summaries. We were pleased to read the OIG's overall opinion that no material weaknesses in the Global Fund's governance, risk management or control processes which would significantly compromise the overall achievement of its objectives. Nevertheless, we were pleased to see frank assessments in certain areas where improvements could be made. A particular statement stood out: "Global Fund visibility over in-country health product availability remains limited in coverage, quality, and depth of information". While COVID-19 will have made oversight more difficult this assessment suggests action is needed on this critical element of the Global Fund investments.

We were struck by the statistic that only “20% of AMAs were implemented by the Secretariat by their due date between January 2020 and 31 December 2021”. While this was partly attributed to COVID-19 workload it is our hope that efforts will be made to catch up on the backlog.

The WPC notes the OIG plan for 2022 and welcomes the “sharpened focus on risk and impact”. We were particularly pleased to note that the OIG would conduct its first Value for Money review, assessing the extent to which Global Fund investments are generating the intended results. Hopefully this will prove to be useful and will not be the last such review.

Strategic Performance Report (2021 results)

The WPC finds the Strategic Performance Report and its Annex bursting with detail and explanation, if somewhat challenging to read, however we look forward to seeing the plans for strategic performance reporting in the next funding cycle.

Global Fund 47th Board meeting

10-12 May 2022

WHO Constituency Comments

We thank the Global Fund Secretariat for its sustained efforts on its core mission of fighting the epidemics of HIV, TB and malaria while playing an important role in the COVID-19 response through ACT-A and at the same time setting the ground for the implementation of the ambitious Strategy 2023-2028. We welcome the opportunity to meet in person during the 47th Board meeting.

COVID-19 and business continuity

C19RM is a mechanism put in place for a specific emergency response and needs so it is important to learn from the mechanism and its evaluation in the ongoing discussions on the future global architecture for health emergency preparedness, response and resilience. WHO just published for consultation the White paper on “*strengthening the global architecture for health emergency preparedness, response and resilience*” that can help inform this process.

The OIG audit report indicated lower than expected utilization of COVID-19 funds due to global and country-level challenges, as well as untimely monitoring. It is critical that urgently needed commodities reach people as soon as possible and that the mitigation services are in place. WHO is supporting countries to use all the C19RM resources effectively and rapidly and address bottlenecks on the ground. WHO would encourage the Global Fund to proactively involve WHO Country Offices and the national COVID-19 response coordination structures in the planned “portfolio optimization approach” to ensure that the reallocation of funds is done in the most efficient manner.

The C19RM investments should also be used to further mitigate the impact of the pandemic on the 3 diseases and to support catch up plans. WHO recently released an updated report of examples of innovative interventions implemented by countries to effectively respond to disruptions of TB services caused or exacerbated by the COVID-19 pandemic. The successful approaches of some countries can be replicated in others.

We would like to encourage Global Fund to incentivise country's to share up-to-date national planning documents through the Partners Platform for efficient coordination that benefits all stakeholders. Global Fund should consider joining GAVI and UNICEF processes in sharing funding requests on the Partners Platform. Under ACT-A, Global Fund should continue to synergize with the global partners' efforts around the Health System Response Connector (HSRC), including mobilising human resources dedicated to contributing to the HSRC initiative at the global level for better coordination of country support.

Catalytic Investments for the 2023-25 Allocation period

We highlight the importance of strong analytical underpinning of any proposed catalytic investments. We support the idea of systematic documentation of the additional value of catalytic investments that would have not been possible through country allocations through a prospective rather than

retrospective lens This will generate strategic information on deciding the areas of catalytic funding based on information widely available across the partnership. Importantly, it requires an outside the box approach that not only counts disease impact and coverage indicators, but also measure qualitative progress in areas with region-specific historically unresolved bottlenecks. Technical partners should be closely engaged in the development of the details of the catalytic investments so that the evidence, data, and alignment to priorities in global disease strategic plans are informing the catalytic investments.

The Global Fund Board Decision (B46DP04) indicated that more funds would be allocated to TB programmes through the catalytic investments. While acknowledging the increased allocation, we feel this still is not reflected enough in the TB proposals, especially in the lower replenishment scenarios. Additionally, WHO has made specific proposals for areas of greater investments and geographies that are not reflected, including social protection for TB and cross-border work in regions affected by humanitarian crises like in the Eastern European and Middle East regions. The multi-country catalytic investments is an important lever for such cross border collaboration and needs to be preserved.

WHO plays a part in the implementation of some of the elements of certain catalytic investments, alongside many other partners. It is important to look at the continuum of care when setting up priorities for catalytic investments. For example for the differentiated service delivery, it should not only look at prevention but also treatment and care

We risk being taken even further off track, unless we address future threats. We welcome the catalytic funding proposed by the Global Fund to address potential threats that would seriously derail us in tackling malaria and incur huge costs. Artemisinin partial resistance and partner drug resistance in Africa is one of those threats and now poses a much greater threat than resistance in the Mekong. The proposed allocation of catalytic funding should therefore reflect the risk and the need for funding. We need to be assured that there will be significant funding available from the NextGen market shaping for the big-ticket funding necessary to address the antimalaria drug market shortcomings, that will complement the specified funding for addressing biological threats in Africa.

The cross-cutting catalytic investments should be formulated more as umbrellas of resilient and sustainable systems for health (RSSH) initiatives that work synergistically across the three diseases to drive impact in a coherent way. We welcome the focus on building in country capacity for RSSH analysis, which should extend to establishing inherent capabilities within Ministries of Health (national and sub national) and national and regional institutions to effectively use local data to plan for instance their malaria response. This should be accompanied by capacity building in leadership, management and planning. We need to move away from a reliance on consultants.

Finally, we would like to suggest to adjust the geographical distribution of the catalytic investments so that countries with small allocations, can have access to larger share of catalytic funding than in the previous funding cycles and be able to accelerate progress.

Strategy Implementation

We appreciate the theory of change approach, the changes proposed by the Global Fund Secretariat shared through the background documents, and the rich discussions at the Board retreat on the plan for strategy implementation and the 10 key changes.

We welcome the focus on incidence reduction, which should be accompanied by an appropriate focus on mortality reduction. The messaging around TB incidence reduction needs to be careful in order to support all resource mobilization efforts and optimal resource allocation to high-impact interventions.

WHO is presenting at the 75th World Health Assembly the Global Health Sector Strategies (GHSS) on HIV, viral hepatitis and sexually transmitted infections for the period 2022-2030. This and the Global

Strategy for TB research and innovation can provide additional leverage to countries in implementing their programmes and for the Global Fund implementation plan.

The strategy implementation should also proactively operationalize new ways of addressing imminent reasons to get off-track again, such as global pandemics, conflicts and wars and other natural and man-made threats. Contingency scenarios should be in-built of how the Global Fund will adapt its levers for a fast response to deliver impact as promised in every region of the world.

Below are comments on a few specific aspects.

1. Quality standards

We appreciate the efforts of the GF secretariat to increase the quality of health services and to endeavour to have quality requirements for Global Fund supported services for TB, HIV, malaria and resilient and sustainable systems for health (RSSH).

The rapid uptake and broad implementation of the latest WHO guidelines is critical to dramatically improve access to the quality diagnostics, preventive treatment, treatment and care.

We encourage the Global Fund investments in quality health services across the spectrum of care in a broad and comprehensive approach in order to address the systemic issues hindering with quality.

It is important to monitor the quality of overall health services and the delivery of services as it pertains to the three diseases based on clinical standards. The setting of these standards is a different matter. WHO has a central role but, there are also national clinical standards that would also be an important consideration.

We have serious concerns regarding the naming of the Global Fund tool as “quality standards” which risks misinterpretation and inadequate implementation.

It is WHO key mandate to set norms, policies and standards. We do this through our guideline development process (GDG). This is a comprehensive, thorough and transparent process, that result in the update of WHO guidelines, based on the latest evidence.

In the case of TB, the guidelines cover cascade of TB care and are fully aligned with the End TB Strategy, and supporting countries in the achievements of the global commitments and targets. All TB partners agreed to support countries to rapidly and fully adopt and implement WHO guidelines so that people with TB can benefit from the latest evidence-based interventions, across the full cascade of TB care.

Creating a document separate to WHO guidelines and policies that is described as quality standards will create confusion among national disease programme managers and implementing partners. The “quality standards” by the GF definition appear to be a selective grouping of interventions, somewhat influenced by priorities and preferences, and also by funding limitations. The process of selection of these “quality standards” is not clear. Furthermore, some of the proposed priorities are not accurately reflecting WHO recommendations.

For the above mentioned reasons, we ask that the “quality standards” are renamed to reflect that they are Global Fund priority interventions for Global Fund supported grants to provide access to quality care based on the latest WHO guidelines.

2. Resilient and Sustainable Systems for Health

The discussions and efforts to change the approach towards the RSSH investments are critical.

WHO has been working with the TERG so that its RSSH-oriented investments considers:

- 1) those investments that sit at a system/cross-cutting level and those that run through and serve the three diseases only,
- 2) those that are aligned with and consolidated into the country's Public Financial Management system.

We welcome more concrete changes to the Global Fund operating model that consider how to bring together system-level investments with those for the three diseases as laid out in the new strategy. The “root cause” of many of the persistent HIV, TB and malaria problems actually lies at the system-level, so it is crucial that the Global Fund support overall country efforts to address them. We are ready work on this with the Global Fund secretariat to support a system-level dialog that identifies RSSH investment priorities that are aligned with domestic plans and priorities and are critical to improving the three disease outcomes.

The broad input functions for RSSH (e.g. investments in HMIS, labs, community health workforce, health product management) should not just sit as separate to the disease grants, but there should be a requirement for them to be explicitly included and called out in all grants so the complementarity is documented and there is joint accountability.

Instead of establishing more RSSH sub teams, the GF secretariat should instead leverage existing technical partners' capacities in these areas, in particular from the UHC partnership platform. This is particularly critical to ensure that system-level investments are accountable to system-level actors.

3. Community healthcare workers (CHW)

- We support the notion that CHW should provide integrated services, but we would not call them ‘multi-pathogen’, which restricts their relevance to communicable diseases. We would advise referring to ‘integrated’ or ‘generalist’ CHWs, in line with WHO guidance.
- We support the idea of progressive institutionalization of CHWs. We recommend referring to both the overall WHO [CHW guideline](#) and the more specific derivative product on [Health policy and system support to optimize CHW programmes for HIV, TB and Malaria services: an evidence guide \(who.int\)](#), developed specifically with Global Fund programmes in mind.
- For strengthening RSSH metrics, we suggest the inclusion, at least in the grants where this represents a substantial proportion of Global Fund investments, of HRH output metrics (e.g. N of health workers educated - breakdown by pre-service/ in-service-, remunerated, incentivized, otherwise supported through supervision or other quality improvement interventions, etc). This links to the recently published [Tool to assess impact of human resources for health investments on HIV, TB and malaria services and health outcomes \(who.int\)](#)

4. Laboratory services strengthening (LSS)

- Health Product Management (HPM) is classified as a mature area for stable growth but specific plans on how this area will be targeted have not been identified. We suggest support for national implementation of the Collaborative Registration Procedure for in vitro diagnosis (IVDs) not only to leverage PQ IVD assessments to accelerate access to quality assured products but also as a capacity building tool for regulation of medical devices, including IVDs. This is particularly

important as the scope for prequalification continues to expand, with TB IVDs coming into the pipeline over the next 12 months.

- It would be valuable to promote diagnostic integration more clearly across diseases, particularly integrating HIV, TB, malaria, and SARS-CoV-2 IVDs, including sharing of analyzers, and integrating systems.
- IVDs that can be used at or near to point-of-care (POC) across diseases outside of laboratories can have considerable impact on patient outcomes for HIV, malaria, TB, SARS-CoV-2, as well as disease surveillance. It would be a considerable loss to continue to focus on strengthening the laboratory context alone.
- Therefore we suggest changing language to support for “laboratory and **clinical testing** services strengthening”
 - Otherwise, funding requests will be skewed towards the ‘laboratory’ component rather than clinical testing services provided at or near to POC, and in communities.
 - For example, funding for community health workers salaries and training, supportive supervision from laboratory directorates to decentralized clinical testing centers/services (POC), etc. go beyond salaries for laboratory personnel and engineers.
 - When funding for quality systems in both laboratory and POC, we suggest adding assessment (external quality assessment and on-site supervision), process control (3rd party quality controls to aid post-market surveillance), and occurrence management (evaluating data to detect any issues with products).
 - Logistics Management Information System (LMIS) must address both laboratories and POC so that disease surveillance, health product safety/quality surveillance, inventory management can be better facilitated, in addition to clinical care and treatment.

5. Health Management Information Systems (HMIS)

- We welcome the highlight on strengthening HMIS with additional focus on governance and leadership toward a strengthen system foundation.
- For integration and interoperability, it is important that the Global Fund HMIS component is part of :
 - the national Health Information System and leverage other existing functions, and investment
 - the national data ecosystem to optimize existing data (e.g. administrative data; CRVS, supply)
 - inclusion of community health data and private sectors which is essential, will need to be aligned with governance, capacity and maturity of the system.
- Regarding Data use, we need to push for granular data to support patient centred management, and equity. It is important to have access to data from different sources to use and reuse for different analytics (e.g. GIS, health financing, logistics, HRH) to fore more comprehensive evidence to HMIS especially at facility and sub-national.
- Finally, publication of data systems need to be available and accessible.

7th Replenishment campaign

We are off track to achieve the targets of the Global Disease Plans and too many people are still missing out on the interventions they need.

The success of the Global Fund’s replenishment will be crucial for enabling countries to mitigate the disruptions from the COVID-19 pandemic, and get back on track for the relevant SDG targets.

This can only happen with effective collaboration through the multilateral system, including the Global Action Plan for Healthy Lives and Well-Being for All, which provides a collaborative platform to deliver a greater impact for the people we serve.

We thank the strong leadership engagement of the five Heads of State, of the Democratic Republic of Congo, Kenya, Rwanda, Senegal, and South Africa for hosting the preparatory meeting with the launch of the Investment Case in February, and we thank the US government for being the host of the 7th replenishment.

WHO fully supports the Global Fund's Replenishment and we urge all donors to support it to realise our shared vision for a healthier, safer, fairer world.