

Update on Engagement with the Pandemic Fund 49th Board Meeting

Additional Paper issued as a supplement to document GF/B49/02.

The decision point was removed from the agenda during the Board Meeting

49th Board Meeting

10-11 May 2023, Ha Noi, Viet Nam

Purpose of the paper: This additional paper supplements document *GF/B49/02 - Engagement with the Pandemic Fund's First Call for Proposals*, previously shared with the Board. It provides further information, outlines additional context on ongoing discussions on ways of working, and proposes a potential Decision Point for Board consideration.

Update on Engagement with the Pandemic Fund

1. At the Board update call on May 3rd, the Global Fund Secretariat informed the Board that based on recent conversations with the Pandemic Fund, the Secretariat would not be in a position to directly submit an application to the Pandemic Fund in response to its First Call for Proposals and that the decision point presented in GF/B49/02 was no longer up-to-date for approval. However, the context of the Board paper remains relevant including the key risks highlighted. This brief update seeks to provide additional clarity to the Board on collaboration with the Pandemic Fund to inform our discussions in Hanoi.
2. We have viewed finding ways of working with the Pandemic Fund as critically important because the Global Fund is currently awarding and reprogramming up to \$1b of C19RM funds in almost precisely the same focus areas of PPR including disease surveillance, HRH and laboratories and on the same timelines as the Pandemic Fund. We are also working to enable countries to coordinate and maximize synergies with the health system investments being made through the \$13b of our Grant Cycle 7 grants. Our goal has been to reduce burden on countries in applying for and implementing these overlapping funding streams, and assuring the coordinated implementation of pandemic preparedness and broader health systems investments.
3. To achieve these aims, the Global Fund accelerated C19RM deadlines, adjusted our application materials, and proposed ways of working to the Pandemic Fund that would:
 - I. Ensure coordination and alignment between the Pandemic Fund and Global Fund's technical review and award timelines by enabling us to submit a proposal reflecting multiple country applications on a slightly delayed timeline that would enable C19RM review and award first but would still be well before the Pandemic Fund's technical review concluded;
 - II. Reduce burden on countries by allowing them to utilize either the C19RM or Pandemic Fund application forms, which we have worked to ensure cover similar information, in applying for PPR financing;
 - III. Utilize the Global Fund's existing monitoring, evaluation, grant implementation, financial reporting and other processes for any potential funds awarded by the Pandemic Fund as this reduces country burden (as countries ultimately provide the information needed for any additional reporting) and aligns with existing Global Fund operations.
4. After efforts to clarify these points with the Pandemic Fund, the Pandemic Fund informed us on May 2nd that they would not be able to build in such flexibilities and must keep the requirements stated in the first call for proposal consistent among applicants. This Pandemic Fund decision means the key parts of the previously drafted Board paper that detail our ambitious scenario, specifically paragraphs 9-12, are no longer able to be

considered. Key parts of the decision point, specifically points 2b and 3 are also therefore no longer options for Board consideration.

5. In summary, this means that the Global Fund can no longer consider directly submitting a multiple country application to the Pandemic Fund that is coordinated with C19RM review and award processes and which seeks to expand the scope and scale of our investments with co-financing from the Pandemic Fund, as was detailed in both the Board paper and Expression of Interest.
6. The Global Fund's primary consideration is in supporting countries effectively access health financing. We have therefore issued communications to countries clarifying that applicants will not be able to apply to the Pandemic Fund's first call for proposals through the C19RM funding request form. We have also indicated to countries that the Global Fund is interested in supporting them as an "implementing entity" for Pandemic Fund resources if they are interested, but that we are still in discussions with the Pandemic Fund on reconciling future reporting and oversight requirements that minimize burden. We have further encouraged ambitious applications in both GC7 and C19RM for impactful investments on pandemic preparedness linked to building resilient and sustainable systems for health.
7. Regardless of whether the Global Fund submits an application for funding in response to the Pandemic Fund's First Call for Proposals, significant efforts at the country and Secretariat levels will be required to ensure clarity and coordination on applications, awards and implementation of resources from the Global Fund and Pandemic Fund. We therefore propose to:
 - Continue to seek to coordinate GC7 and C19RM funding to the extent possible with potential funding financed by the Pandemic Fund, with a view towards increasing alignment and coordination at the country level for pandemic preparedness investments and to ensure organizational-level approval, monitoring and reporting processes and requirements allow for streamlined and efficient operations; and
 - Request the Audit and Finance Committee ("AFC") undertake a review of the approval of the Pandemic Fund under the Global Fund's Amended and Restated Policy for Restricted Financial Contributions ("PRFC") noting the principles of this policy include that contributions shall not result in unreasonable transaction costs for the Global Fund, substantial changes to Global Fund systems and processes, the responsibilities of the World Bank as Trustee for the Global Fund Trust Fund, or any deviation from Global Fund rules and procedures.
8. We have included a draft decision point for Board consideration below that reflects these revised objectives, noting the short timeline is challenging for constituency consultations and openness for further input and discussion.

A potential revised decision point for Board consideration, which could be updated further to reflect Board input:

Decision Point: GF/B49/DPXX: Engagement with the Pandemic Fund

The Board:

- 1. Requests the Global Fund Secretariat, to the extent possible, continue to seek to coordinate Grant Cycle 7 and C19RM funding with potential funding financed by the Pandemic Fund, with a view towards increasing alignment and coordination at the country level for pandemic preparedness investments, and to ensure organizational-level approval, monitoring and reporting processes and requirements allow for streamlined and efficient operations;***
- 2. Requests that the Audit and Finance Committee (“AFC”) undertake a review of the approval of the Pandemic Fund as an approved public mechanism under the authority delegated to the AFC under the Global Fund’s Amended and Restated Policy for Restricted Financial Contributions; and***
- 3. Requests that the Board, through its committees as relevant, receive regular updates on the Global Fund’s engagement with the Pandemic Fund.***