

Update on Resource Mobilization: Outcomes of the Seventh Replenishment Lessons Learned and Action Plan toward the Eighth Replenishment 50th Board Meeting

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Board Information

Purpose of the paper: This paper provides an update to the Board on the status of pledge conversion and donor agreement signing. It presents the outcomes of the Seventh Replenishment lessons learned exercise and welcomes feedback on i) actions being planned in preparation for the Eighth Replenishment, and ii) current resource mobilization, advocacy and communications efforts, as well as actions to mitigate funding- and reputation-related risks.

Executive summary

Context

Under the Seventh Replenishment, the Global Fund partnership has secured commitments from 50 public and 27 private donors for a total of USD 15.67 billion for the 2023-2025 allocation period, out of the target of at least USD 18 billion set in the Seventh Replenishment Investment Case. This represents the largest amount pledged to the Global Fund to date, marking an increase of 12% in pledges compared to the Sixth Replenishment.¹ After deductions for currency fluctuations, set-asides, and other adjustments, this resulted in USD13.128 billion being made available for country allocations and USD400 million for catalytic funding.²

While resource mobilization efforts to secure additional pledges continue, the Secretariat's primary focus is ensuring that donor commitments are formalized through the signing of contribution agreements and timely pledge conversion.

Conversion of Seventh Replenishment pledges into contributions as of 30 June 2023 is progressing with 47% of donors having signed contribution agreements and 9% of adjusted pledges received in cash (USD 1,277 million), which is in line with pledge conversion forecasts.

The Secretariat has now completed a **lessons learned exercise** from the Seventh Replenishment and started its early preparation toward the Eighth Replenishment.

The Global Fund continues to **adapt and sharpen its positioning** by exploring the interconnection between its investments and other pressing global issues to sustain its relevance in a fast-evolving global landscape.

The Global Fund also continues to invest in nurturing and sustaining **civil society and communities' advocacy networks** that are key to the success of ongoing fundraising activities and future replenishment efforts.

Given the highly volatile context, it is critical to continue to actively **mitigate the fundraising risks** and focus on ensuring full and timely pledge conversion. Mitigation actions include the need to (1) maintain strong and close **relationships with donors** at all times; (2) ensure strong and **bipartisan/multiparty commitment** in parliaments; (3) have an adequately resourced and engaged **advocacy network**; (4) sustain a **recognizable and valued brand** and continue to deliver **clear and impactful communications**; and (5) create **opportunities for innovation** and non-traditional partnerships with the private sector.

1. Comparison between initial outcome of the 6th and 7th replenishments (excluding pledges to C19RM)

² For further details on the sources and uses of funds for the 2023-2025 allocation period, please refer to [GF/B48/03 A – Rev 1](#)

Questions this paper addresses

- A. What is the outcome and the status of donor agreement signing trends and pledge conversion and what are our current priorities?
- B. What are the key lessons learned from the Seventh Replenishment?
- C. What are the priority actions being taken in preparation for the Eighth Replenishment?
- D. What are the risks that the Secretariat needs to actively mitigate during the current replenishment cycle?

Input received

- During its 49th meeting, the Board (a) congratulated the Secretariat and the U.S. government for the success of the Seventh Replenishment; (b) urged the Global Fund partnership to continue its efforts to mobilize additional resources; (c) welcomed the lessons learned exercise as an effective tool to fine-tune the preparations for the Eighth Replenishment; (d) requested additional information on domestic resource mobilization, particularly on the progress of co-financing commitments; (e) emphasized the importance of discussing innovative financing in the next Board meeting; and (f) sought clarification on the alignment of technical assistance set-asides with the partnership's strategic objectives. During the same session, the Board also (a) emphasized the need to deepen work on health system strengthening, including the streamlining of program monitoring in this area; (b) indicated the need for the Strategy Committee to guide fund allocation as part of the portfolio optimization process; (c) expressed concern over the low absorption rate of the COVID-19 Response Mechanism; and (d) noted the need for further efforts to improve tuberculosis-related services in collaboration with regional development banks and national health services.

Update on pledge conversion and current priorities

1. As of 30 June 2023, 93% of adjusted pledges for the Sixth Replenishment has been received in cash, in line with the expectation to fully convert remaining forecasted pledges. Conversion of the open pledges for the Sixth Replenishment remains a focus. The Sixth Replenishment included catalytic investments supported by the private sector under the Board-approved Amended and Restated Policy for Restricted Financial Contributions (GF/B37/DP08). USD 52 million in private sector funding was committed for such purposes for the 2020-2022 period, out of which USD 51 million has already been paid. All 13 non-financial or in-kind/innovation partnerships with the private sector for the Sixth Replenishment period have contribution agreements in place and are on track for delivery, with 83% of their workplans implemented.
2. For the Seventh Replenishment, the Secretariat has signed 36 contribution agreements (23 for the public sector and 13 for the private sector) with USD1.277 billion received in cash. Progress in contribution agreement signing and pledge conversion is comparable to the same point in the previous Replenishment cycle.
3. While payment delays or defaults resulting from the challenging macroeconomic and geopolitical environment cannot be excluded, controls and mitigations on pledge conversion have been tightened and additional measures are included as part of the Secretariat's contingency plan. The continued support and advocacy from Board and Committee members continues to be critical in ensuring timely pledge conversion in addition to the mobilization of advocacy partners, including civil society organizations, communities, members of parliament and champions.
4. Under the Seventh Replenishment, total bilateral set-asides grew to approximately USD 700 million, which represents a close to 40% increase over set-asides from the Sixth Replenishment. The Global Fund is increasing coordination efforts with donors that have included set-asides as part of their pledges to ensure that they are aligned with the new strategy and national strategies supported by Global Fund grants.³ The Strategy Committee is reviewing the operationalization of the grant cycle 7 (GC 7) related set-asides, ensuring linkage with grants, improving transparency, minimizing transaction costs, and supporting countries that are not receiving technical assistance. The Secretariat has analyzed the impact of set-asides on potential future replenishment outcomes and will proactively work with donors to influence and limit the introduction of additional donor conditionality and technical assistance-related restrictions.
5. The Global Fund continues to mobilize funds throughout the Seventh Replenishment period to further meet the needs identified in the Investment Case and leverage the United States' matching pledge to the extent possible. These efforts are focused on reaching out to public donors who did not pledge for the 2023-2025 period or pledged annually or for only part of the cycle, and on monitoring budgetary processes and the broader landscape to identify potential contributions. The full Global Fund partnership needs to continue supporting the cultivation of new or emerging opportunities in a very competitive and challenging environment.
6. Private sector engagement efforts are geared towards continuing to leverage the significant portfolio of existing donors and partners as well as their respective networks. In parallel, the expansion of fundraising towards high-net-worth individuals and private foundations remains a priority, although recognizing that developing prospects in this space is a slow and resource-intensive endeavor. Current initiatives are emphasizing the role of the private sector in providing catalytic capital,

³ Overview of set-asides and alignment with GC7 targets and the Global Fund Strategy ([GF/SC21/13](#))

exploring areas in which significant capability sets or interests align, especially in the realms of digital health, product innovation and access, frontline health workers, and climate-resilient health systems. Given the highly competitive environment, the positioning of the Global Fund, along with the mobilization of advocacy and other networks, remains an important enabler.

7. The Global Fund continues to pay particular attention on how to maximize innovative financing such as blended finance, Debt2Health, and other modalities that tap into different budget lines or will attract funding from other sources. In this regard, the Secretariat continues to participate in global discussions on development financing and financing for health as ensuring the organization is well-positioned to crowd in any additional financing that may become available.
8. Close collaboration with partners and stakeholders is necessary to ensure that the Global Fund is referenced appropriately in global health discussions that remain high on the international agenda. Opportunities this year included three UN High Level Meetings on tuberculosis, universal health coverage (UHC) and pandemic preparedness and response; the negotiations on the Pandemic Treaty (WHO CA+ convention, agreement or other international instrument on pandemic prevention, preparedness and response) and International Health Regulations; the G7 and G20 processes; the various follow-up processes for ACT-A collaboration; several international disease- and theme-specific or regional events such as Women Deliver Conference, COP28, the World Health Summit and ICASA. The Global Fund is constantly working on its messaging for amplification by the partnership and enforcing clear and compelling explanations of its unique role and added value in delivering global health priorities.

Lessons Learned of the Seventh Replenishment

Process overview

9. Following standard practice after a replenishment campaign, the Secretariat conducted a review to document lessons learned and best practices. This exercise aimed to identify the core principles and success drivers of the Seventh Replenishment and areas for potential improvements.
10. The review assessed (1) the overall replenishment strategy and coordination; (2) performance against the overall objectives, including drivers for success and main challenges; (3) roles and decision accountabilities; and (4) factors and trends to inform resource allocation. It focused on the following themes: (1) the coordination and engagement with host countries; (2) the investment case and the related narrative and campaign; (3) the way in which events and platforms were used, including the execution of the Preparatory Meeting and the Pledging Conference; and (4) the engagement of Global Fund voices and stakeholders across the partnership.
11. Wide stakeholder feedback was solicited through various channels from end-2022 to mid-2023, including from US-based NGOs and the US Government as host, the Global Fund Advocates Network (GFAN) and the wider advocacy ecosystem, the Bill and Melinda Gates Foundation, implementer governments who hosted the Preparatory Meeting, event speakers, talent and many others. Ongoing dialogue with public and private sector donors was also key in informing the Lessons Learned exercise, as were inputs from the Board.
12. In addition, a cross-functional Secretariat working group was established to review the findings and advise on improvement actions to be taken forward. Under the leadership of the External Relations and Communications Division, the group was comprised of several Secretariat teams, specifically those who had engaged in recent replenishment-related lessons learned exercises with core expertise in strategy alignment, risk management, business process optimization, and performance assessment and improvement. The Office of the Inspector General (OIG) also participated in the working group in a light-touch advisory role (in contrast to the in-depth advisory review of the Global

Fund's fundraising activities it performed following the Fifth Replenishment). The OIG brought an external perspective to the lessons learned exercise, providing input focusing on the exercise's key questions, the information and analysis considered by the working group, and findings and recommendations.

Consideration of the external landscape and risks

13. The Seventh Replenishment Conference took place amid a particularly challenging macroeconomic and geopolitical environment, in which political volatility was increased, development resources were scarcer, and the attention of donors and partners was divided across competing international priorities and crises. Despite this complex context, the outcome showed an unprecedented commitment from Global Fund donors.
14. The Eighth Replenishment is expected to take place in the context of continued volatility and amid multiple replenishments of other global health and development agencies. An in-depth analysis of landscape trends and external and internal risks informed the translation of the Seventh Replenishment lessons learned outcomes into the Action Plan to prepare for the Eighth Replenishment which is outlined below.

Cross-cutting recommendations from the lessons learned exercise

15. The lessons learned exercise pointed to several areas where a shift in our approach to replenishment is needed:
 - Priority needs to be given to **innovation and adaptability**. The Global Fund investment case, campaign, advocacy and resources mobilization strategies need to be responsive to a rapidly changing, volatile fundraising environment and at the same time aligned with our 2023-28 strategy and the overall targets and needs outlined in the global disease plans as well as the SDG 3 targets.
 - Acknowledging the **challenging political and economic landscape**, the Global Fund needs to be strongly positioned on priority emerging themes by the time we launch and throughout the Eighth Replenishment campaign. This requires adapting and refreshing our messaging on HIV, TB and malaria and connecting them to broader topics that are being discussed at global platforms.
 - To sustain the Global Fund's **organizational agility**, the **entire partnership**, especially donors, implementing partners, communities, civil society and other advocacy partners, needs to be mobilized and meaningfully engaged in the Replenishment process.
 - To maximize our **Eighth Replenishment campaign timeline** and **mitigate risks**, we would also need earlier planning and surge resourcing across high-risk and high-return areas, more robust scenario planning as well as increased emphasis on risk management across all replenishment workstreams.
 - Fostering strong **ownership and political leadership of the host** will continue to be the cornerstone of the strategy for the Eighth Replenishment, and securing a strong host and ensuring effective host engagement throughout the campaign remains a top priority.
 - Mobilizing **cross-party support** within donor geographies as well as **optimizing cross-sector synergies** are needed to strengthen the Global Fund's resource mobilization strategy and advocacy support base.
 - **Stronger partner cultivation, collaboration and coordination** will also be key, especially with the partner organizations who are also launching fundraising initiatives and convening replenishments over 2024-25. Alignment with these partners, including in developing our

respective investment cases and leveraging joint positioning and visibility opportunities, will be particularly important to articulate our respective roles and value-add in the global health landscape.

High-level action plan to prepare for the Eighth Replenishment (Q3 2023 to Q3 2025)

Overview

16. The primary focus of the Action Plan for 2024-2025 is to maximize the success of the Eighth Replenishment Pledging Conference since the pledges secured at this event will represent the bulk of donor contributions for the 2026-28 period and funding for country allocations for the 2027-29 implementation period. The plan comprises the following priorities:

- i. Secure robust hosting arrangements to lead the Eighth Replenishment**
 - a. Secure hosting arrangements as early as possible, considering convening capacity and willingness to lead diplomatic outreach and donor engagement
 - b. Leverage the host's role, including the synergies and complementarity of Replenishment and Preparatory Meeting hosts' roles, effectively throughout the campaign
 - c. Improve scenario and contingency planning to mitigate the downstream impact of possible delayed hosting confirmation.

- ii. Develop a technically robust and compelling Investment Case for the Eighth Replenishment**
 - a. Build on the core strengths of the Investment Case by investing to address gaps and to integrate broader strategic themes
 - b. Start planning for the Investment Case development much earlier than in the past and ensure alignment on timelines and critical dependencies, including the overall replenishment narrative, the additional thematic analysis required and the areas for partner engagement
 - c. More proactively and closely coordinate with other global health partners who are also developing and launching their own Investment Cases during the 2024-25 period to align on Investment Case assumptions.

- iii. Ensure public donor engagement and resource mobilization strategies are responsive to the highly volatile environment to secure strong donor pledges for the Eighth Replenishment**
 - a. Increase focus on the mobilization of cross-party support for the Global Fund and the engagement of partners involved in policy debates in donor countries
 - b. Leverage multilateral and political platforms and processes to mobilize political support for the Global Fund's mission and replenishment
 - c. Engage emerging donors proactively in their own platforms and continue to support their effective engagement in the Global Fund's governance process
 - d. Leverage public-private synergies to respond better to public donor expectations in markets with significant return-on-investment
 - e. Reinforce advocacy networks in key donor geographies, including reinforcing advocacy support from implementing countries.

- iv. **Develop and roll out tailored engagement strategies to mobilize strong financial and non-financial contributions from private sector partners**
 - a. Continue to build on tailored private sector resource mobilization strategies and invest in the diversification of private sector engagement platforms
 - b. More fully embed messaging and themes that appeal to private sector partners in the Investment Case and the replenishment campaign, and integrate these into cross-secretariat narratives
 - c. Mobilize and equip private sector voices for stronger advocacy in support of the Global Fund vis-à-vis other stakeholders, especially public donors.

- v. **Mobilize and meaningfully engage advocacy partners throughout the Eighth Replenishment campaign**
 - a. Develop and roll out an advocacy roadmap to strengthen and expand the Global Fund's advocacy eco-system
 - b. Develop and roll out an overarching strategy for engaging political champions with an integrated communications and media engagement plan
 - c. Sustain Global Fund investments in advocacy to mitigate risks to the sustainability of the advocacy eco-system and improve real-time adaptations in messaging and approaches.

- vi. **Conduct a dynamic, creative and engaging replenishment communications campaign that integrates key Global Fund Strategy themes, and is supported by differentiated communications strategies across sectors and donor geographies**
 - a. Foster stronger alignment/synergies between the Investment Case and the replenishment resource mobilization and communications campaigns
 - b. Continued targeted investments in the Global Fund's brand and media and social media strategies to sustain Global Fund visibility and engagement of our target audiences
 - c. Build on and invest in successful multipurpose campaign content and tools, including innovative and fresh ideas, early in the process
 - d. Build spokespeople/talent/influencer engagement more effectively into campaign planning, including increased voices from Africa and other implementing partners.

- vii. **Leverage events and platforms for increased visibility and engagement and convene the Global Fund partnership in high-level and impactful replenishment events (i.e., the Preparatory Meeting and the Pledging Conference)**
 - a. Start prioritization of events for the Replenishment campaign earlier and ensure ongoing internal and external coordination as priorities shift
 - b. Strengthen Secretariat capacity for partnership engagement and positioning at global events but also in key donor geographies
 - c. Strengthen Secretariat capacity and develop frameworks for protocol and security for events to facilitate negotiations with the host/s
 - d. Update processes and tools to ensure improved participant experience and more effective event management.

Status of implementation of the Action Plan

17. In line with the recommendation to start early, the Secretariat kicked off its internal planning and coordination on three key workstreams in late August/early September: (1) Hosting and resource mobilization strategies; (2) Investment Case development; and (3) Messaging refresh and early thinking on the replenishment campaign. To foster greater internal coordination and partner engagement, the Seventh Replenishment lessons learned and the Action Plan have been presented and discussed with the collaborating departments and divisions across the Secretariat as well as some external partners.
18. In addition, both an advocacy roadmap and the strategy for engaging political champions have been developed with wide stakeholder consultations and are now in the process of being rolled out. The advocacy roadmap lays out priorities and actions to sustain and strengthen the **advocacy ecosystem**, including through the meaningful engagement of communities and civil society primarily in regional and global advocacy to secure ongoing political and financial support for HIV, tuberculosis and malaria and the Global Fund's mission, whilst ensuring that these issues are integrated within broader health and development responses. The Global Fund's investments in sustaining these efforts will be key to the success of future replenishments, as well as in the implementation of strong programs at country level.
19. The Global Fund continues to sharpen its messaging, clearly showing the **partnership's impact** in country, **delivering for communities and saving lives**, while exploring the interconnection between its **investments in global health** and the pressing issues of the day, including climate change, conflict and instability, and human rights. Communications work also focused on enhancing transparency and providing clear and compelling data on program results. Steps have also been taken to establish more regular communication channels and coordination with Gavi on replenishment planning at both the political and technical levels.
20. Immediate surge resourcing needs for the replenishment, especially for areas flagged as high risk in the lessons learned exercise, have been discussed and integrated into the wider corporate planning and budgeting exercise for 2024.
21. Finally, the Board and its members play a key role as ambassadors of the Global Fund and their continuous support to resource mobilization and advocacy efforts remain of paramount importance. More broadly, effective governance is a key enabler of the organizational mission and strategy, supporting results. In this context, the work currently under consideration at the EGC regarding strengthening Board representation and inclusion aims to ensure that Global Fund governance remains efficient and fit for purpose in a challenging and fast evolving resource mobilization landscape.

Risk management

22. Despite the challenging context, the risk of loss of donor support and confidence during the Seventh Replenishment campaign did not materialize, with the vast majority of the Global Fund's donors maintaining or increasing their support. However, as commitments for the Seventh Replenishment need to be fully converted and some Sixth Replenishment payments are still outstanding, the

Secretariat will continue to focus its efforts on ensuring that pledge conversion is achieved as per agreed schedules and targets.

23. To ensure stability in resource mobilization efforts, it is critical to continue mitigating the fundraising risks that have emerged and sharpened during the last replenishment process, many of which will increase in the current global environment. Such actions include the need to:
- a) **Ensure strong and close relationships with donors at all times**, constantly showing and proving to them the added value of the Global Fund model, and the importance of multilateral investments, country and community ownership and voice, and evidence-based and cost-effective interventions.
 - b) **Ensure strong and bipartisan/multiparty commitment in parliaments** given the political volatility in many donor governments.
 - c) **Have an adequately resourced and engaged advocacy network** that can provide game-changing and credible advocacy targeted at donors.
 - d) **Sustain a recognizable and valued brand and continue to deliver clear and impactful communications** that provide the space for donor leaders to make extraordinary commitments for global health.
 - e) **Create opportunities for innovative and non-traditional partnerships with the private sector** that enable key initiatives to progress and lay the groundwork for major scale-up of novel approaches and solutions.

Next steps

24. While the Global Fund continues to pursue all opportunities to identify and mobilize additional funding for the current cycle, the focus remains on continuing to work actively on the conversion of Seventh Replenishment pledges through the formalization of contribution agreements with donors, for the most part with multi-year payment schedules, and on ensuring continued advocacy with decision-makers.
25. Building on the outcomes of the lessons learned exercise from the Seventh Replenishment, the Global Fund is taking immediate action to ensure early preparations for the Eighth Replenishment by developing an evidence-based narrative, by fostering partnership engagement and maximizing the timely development and thinking around the Investment Case.
26. The role of the Global Fund in the fast-evolving global health landscape, and the contribution it makes not just to fight infectious diseases but in ensuring equity and access as a key component of UHC and in support of pandemic preparedness, needs to be constantly reaffirmed and articulated. This requires partners to advocate for the Global Fund's model, delivering for the poorest and most vulnerable communities in the world, in particular in the context of international meetings, negotiations and consultations.
27. The continued support and advocacy from Board and Committee members, alongside advocacy partners, including civil society organizations, communities, members of parliament and champions, remains critical in ensuring timely pledge conversion, supporting the cultivation of new or emerging opportunities, and positioning the unique role of the Global Fund in advancing global health outcomes.

Annexes

Annex 1: Relevant past documents and reference materials

1. Update on resource mobilization presented for information to the 49th meeting of the Global Fund Board ([GF/B49/17](#))
2. Update on resource mobilization presented for information to the 48th meeting of the Global Fund Board ([GF/B48/24](#))
3. Update on resource mobilization presented for information to the 47th meeting of the Global Fund Board ([GF/B47/21](#))
4. Update on resource mobilization presented for information to the 46th meeting of the Global Fund Board ([GF/B46/20](#))