

Strategy Implementation Acceleration into Grant Cycle 7

50th Board Meeting

For Information

GF/B50/08

14 – 16 November 2023, Geneva, Switzerland

Strategy Implementation: Accelerating into GC7

A holistic update on our *core mission*

Responsive to Board feedback to encourage more strategic and holistic discussions, this is a status report on the current state of progress towards our mission and Strategy as we start GC7.

This builds from the breadth and depth of the Board's Committees' (AFC, SC & EGC) work in October, **surfacing strategic areas with in-depth analysis and candor** where we need the Board's engagement and leadership.



What we seek from this integrated approach

As you review the overarching data on our collective achievements and the work remaining:

- 1 Are there observations on the preparations and/or preliminary findings from GC7 from your constituencies *not* captured here?
- 2 Where can we exercise the broader partnership (including your constituencies) to address implementation challenges?
- 3 How do we leverage and evolve what we collectively built to *continue to deliver results* in a changing global context?

The presentation builds an integrated overview with opportunities for additional focus

Content

Looking ahead to Grant Cycle 7 – Strategy: Primary Goal
HIV, Tuberculosis and Malaria

Lunch

Looking ahead to Grant Cycle 7 – Strategy: Mutually reinforcing contributory and evolving objectives
CRG

Break

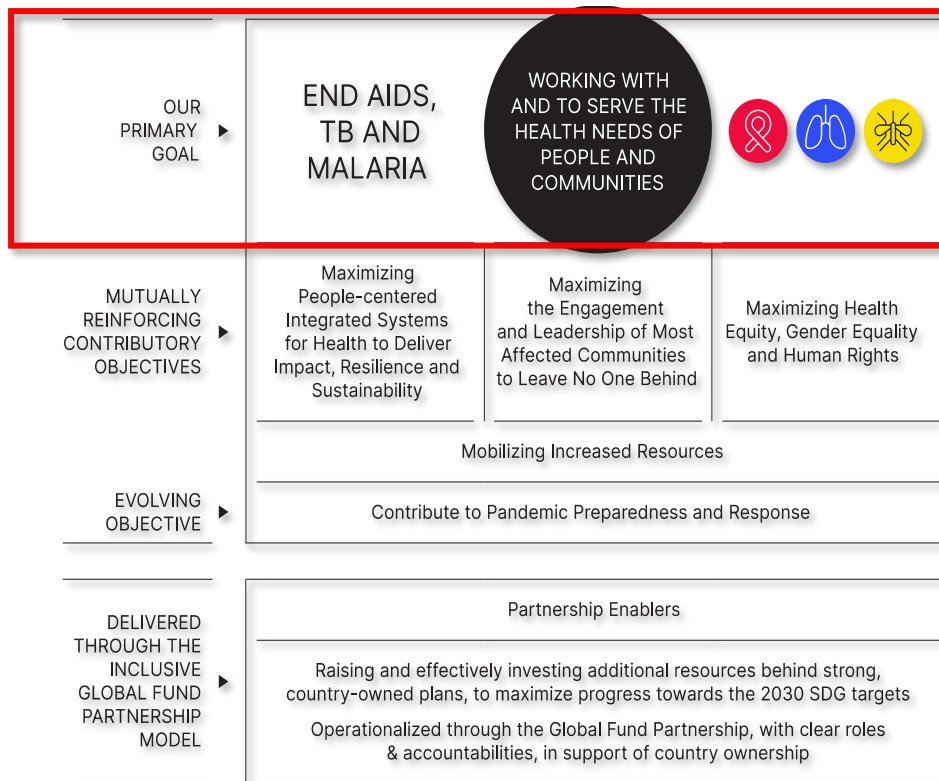
Looking ahead to Grant Cycle 7 – Strategy: Mutually reinforcing contributory and evolving objectives (continued)
RSSH & PP/C19RM/Health Financing

Looking ahead to Grant Cycle 7 – Future oriented closing discussion
Unique strengths of Global Fund (incl. Market Shaping)
Discussion on Future

*Ensuring time for
candid
discussion and
collective
solutioning,
building on topics
surfaced during
committees*

Executive Summary

- At the close of 2023 we will have approved more funding than any other year in our organization's history. This is an immense **responsibility and opportunity for the partnership**. Our **Strategy** charts the way we invest to end **HIV**, **TB** and **malaria**, while building resilient systems for health prepared to respond to emerging pandemics and keeping people and communities at the center of our work. This session focuses on a holistic overview of the status of our Strategy implementation as we launch GC7, building from detailed discussions at committee meetings.
- There are **interdependencies at the country and regional levels** (political, programmatic, financial) that can *exceed* the influence and reach of the Secretariat, particularly during implementation. To be successful in GC7 and beyond, we will need the entire partnership. This integrated update highlights progress to global goals *with work remaining* ahead of 2030; preparation to maximize our investments in GC7; and preliminary observations from the funding requests themselves.
- While our key performance indicators (KPIs) reflect the strength of collective efforts and aspects of historic progress, **our work is not done**. We do not exist outside of a coordinated global anti-rights movement in which key and vulnerable populations are facing increasingly hostile political rhetoric, crackdowns on their activities, and restrictions on civic space that are putting them and their work at risk. Nor are we separate from the multi-crises from debt to conflict to climate change affecting our world. Less solidarity and increased discrimination will result in greater health inequities going forward, putting at risk our shared aspirations for UHC (particularly the “U”).
- This is a time for renewed **collective action** without which we are at severe risk of failing to achieve SDG targets for health. We must seize this opportunity of unprecedented investment to end HIV, TB and malaria's devastating impacts; to dramatically strengthen integrated health and community systems and their resiliency to prepare and respond to the next pandemic; and to get closer to all aspects of UHC, through access for *all* to the best treatments at the lowest costs, even in the most challenging contexts. This is what the Global Fund can accelerate in GC7, but we cannot do it alone.



HIV

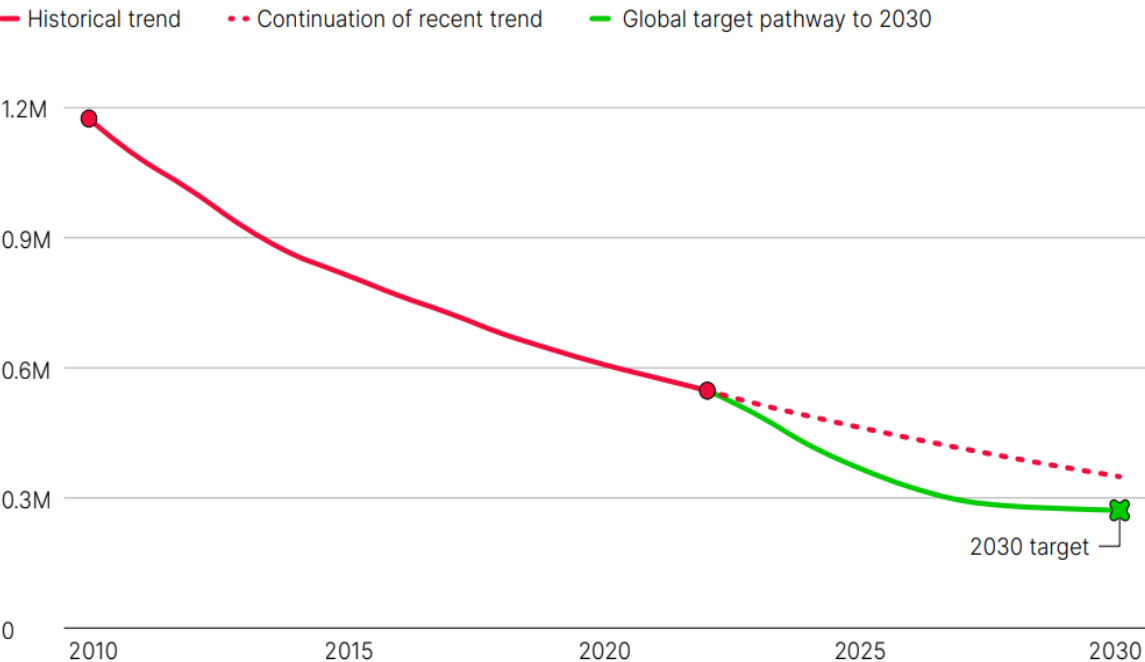
While some countries are reaching HIV epidemic control, the global targets are off track

Very strong progress on reducing AIDS-related deaths in countries supported by the Global Fund. However, in 2022, there were 507,000 deaths globally due to AIDS related causes. Progress is mixed, varying significantly between regions.

New HIV infections are lowest in decades but off track to meet global target. Progress by geography is mixed. Most significant reductions in new HIV infections were in Sub Saharan Africa. Beyond SSA, reductions have been modest/variable. Alarming increases in new infections in some regions/countries.

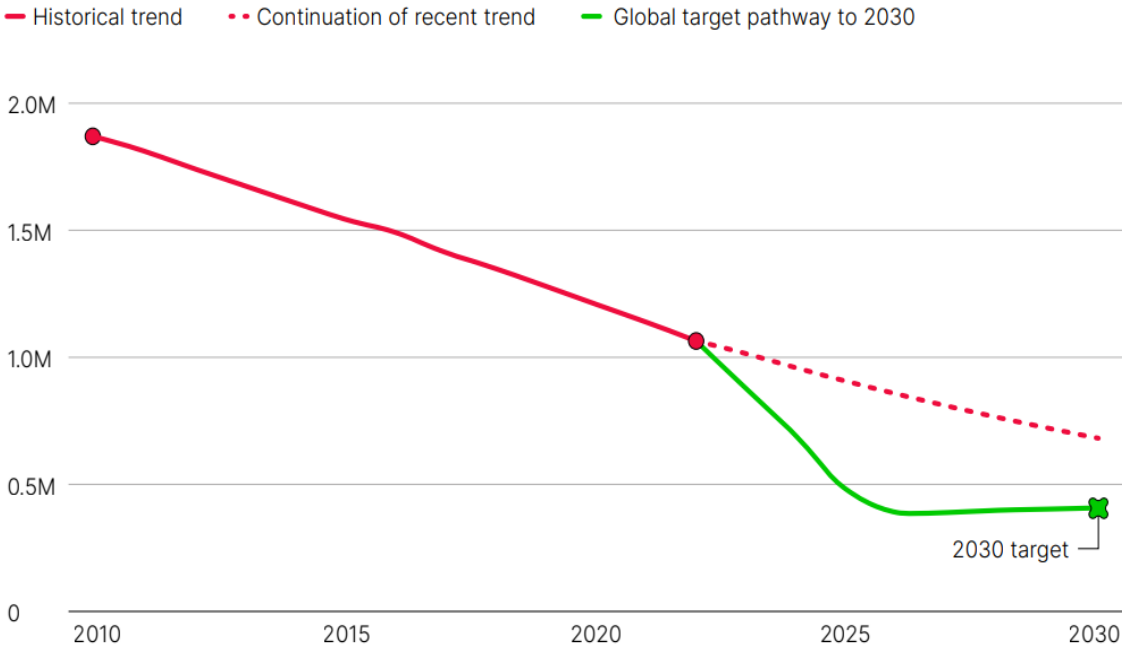
AIDS-related deaths: progress towards the UNAIDS target

In countries where the Global Fund invests

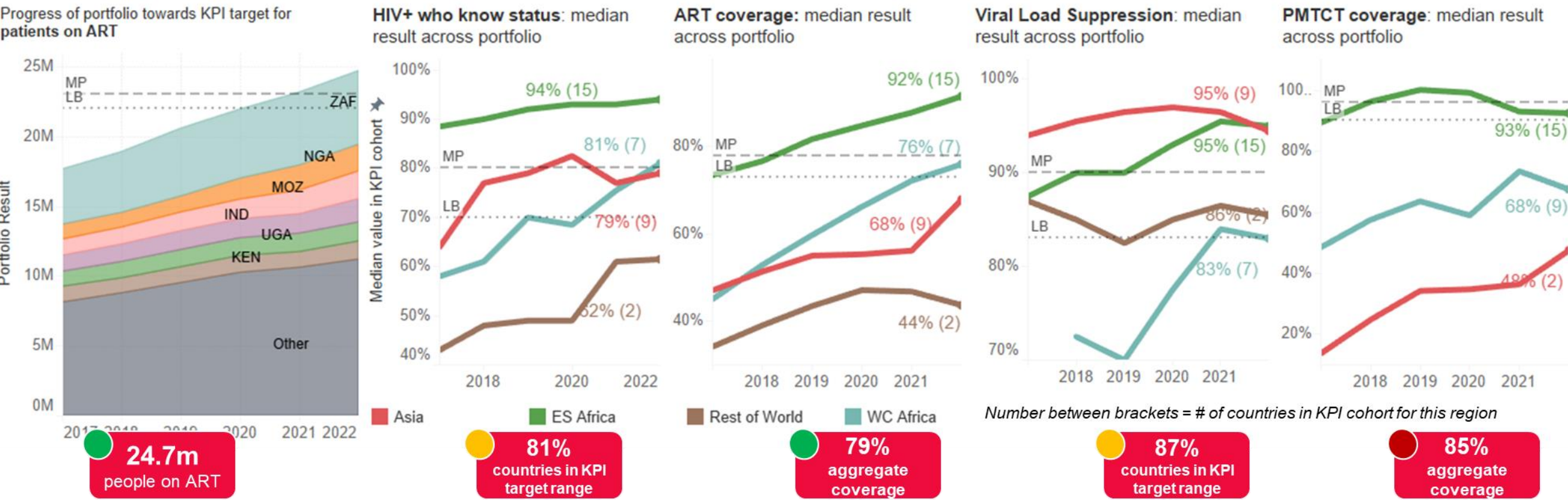


New HIV infections: progress towards the UNAIDS target

In countries where the Global Fund invests



Despite important progress, significant efforts needed in most regions to reach the UNAIDS 2025 AIDS targets*

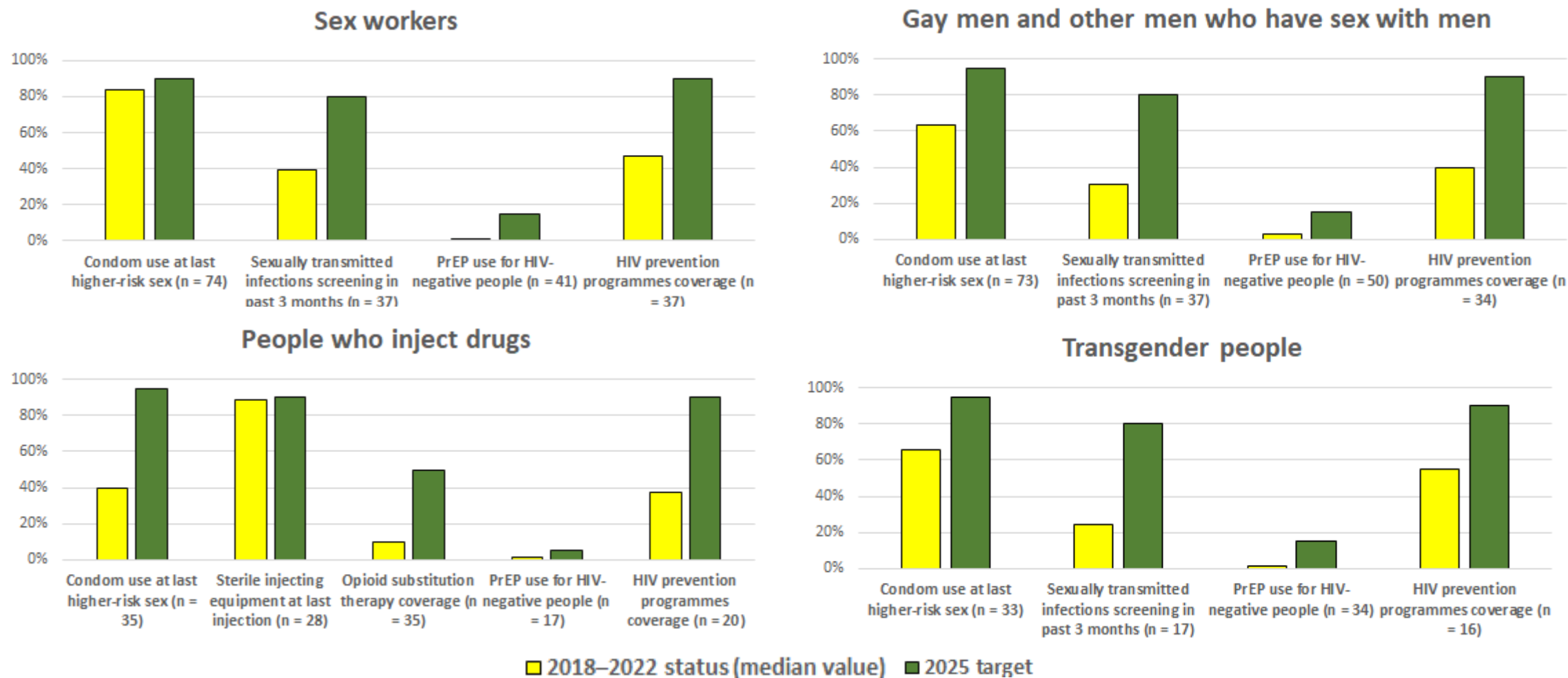


Residual Risk	High	Target Risk Timeframe	Jun 2024
Risk Appetite	High	Direction of Travel	Decreasing
Target Risk	Moderate	Status to target risk timeframe	On Track

Within the KPI reporting, the risk **remains high** with 2022 data serving as a critical basis for GC7 preparation, prioritization and portfolio level engagement in partnership with countries and communities

*Source: <https://aidstargets2025.unaids.org/>

Coverage of HIV prevention programs for key populations is sub-optimal, as new infections continue to rise



Note: n = number of countries reporting. "HIV prevention programmes coverage" refers to people from key populations who reported receiving at least two prevention services in the past three months. Possible prevention services include condoms and lubricants, counselling on condom use and safer sex, sterile injecting equipment and testing for sexually transmitted infections. Condom use at last higher-risk sex does not take into account people taking PrEP and therefore may be underestimated. PrEP targets were calculated based on the number of people who would most benefit from PrEP use, those with greatest vulnerability to HIV exposure within each key population. Reported numbers of PrEP users include all users regardless of vulnerability. The use of a clean needle the last time a person has injected tends to come from surveys, which are typically conducted in areas that have services available and thus may not be nationally representative.

GC7 preparation focused on increasing access and greater HIV impact

Catalyzed change

- ✓ Intensified collaboration with technical partners to emphasize **precision public health approaches and high impact interventions, including for HIV prevention.**
- ✓ Leveraged matching funds for key populations; adolescent girls and young women and their partners; PrEP; human rights and gender focusing on 22 countries with greatest needs.

Developed evidence-based guidance

- ✓ Updated Global Fund guidance and tailored advice to applicants including streamlined modular framework to reflect new evidence, new products and new opportunities to innovate. Strong **focus on increasing access and greater impact.**
- ✓ Introduced **HIV program essentials** to signal core elements of effective HIV programs.

Amplified inclusive services

- ✓ Emphasized need for expansion of **HIV prevention** for key populations, and for AGYW/ male partners in ESA
- ✓ Amplified consistent messages to prioritize investment in **human rights** interventions to improve access.
- ✓ Stressed importance of improved **health and longevity** among people living w/ HIV & priority populations.

Promoted integration & innovation

- ✓ Focused on **differentiated service delivery** across the HIV prevention, testing and treatment cascade.
- ✓ Emphasized need for **integration of systems and services**, and for **innovation in service delivery** to improve access & the triple elimination agenda
- ✓ Recommended **prioritized health products and technologies** for introduction & scale-up; signaled urgency to improve condom programs, improve access to key harm reduction commodities, scale up self-testing and PrEP, complete DTG transition and seek product efficiencies including for HIV testing.

HIV program essentials in funding requests indicate implementation barriers and distance between policy and practiceⁱ

Largest policy gaps exist for HIV primary prevention (PrEP/PEP and harm reduction), differentiated testing, management of advance HIV disease and differentiated service delivery platforms.

		All policy in place?	Implementation scope
		(% of countries reporting "yes")	(% of countries reporting implementation scale above 50%)
HIV primary prevention	1. Condoms and lubricants are available for all people at increased risk of HIV infection.	90%	75%
	2. Pre-exposure prophylaxis (PrEP) is available to all people at increased risk of HIV infection, and post-exposure prophylaxis (PEP) is available for those eligible.	78%	29%
	3. Harm reduction services are available for people who use drugs.	54%	25%
	4. Voluntary medical male circumcision (VMMC) is available for adolescent boys (15+ years) and men in WHO/UNAIDS VMMC priority countries. ⁱⁱ	91%	82%
HIV testing and diagnosis	5. HIV testing services include HIV self-testing, safe ethical index testing and social network-based testing.	81%	47%
	6. A three-test algorithm is followed for rapid diagnostic test-based diagnosis of HIV .	72%	63%
	7. Rapid diagnostic tests are conducted by trained and supervised lay providers in addition to health professionals.	90%	63%
Elimination of vertical transmission	8. Antiretroviral therapy (ART) is available for pregnant and breastfeeding women living with HIV to ensure viral suppression.	100%	88%
	9. HIV testing, including early infant diagnosis (EID) is available for all HIV-exposed infants.	97%	76%
HIV treatment	10. Rapid ART initiation follows a confirmed HIV diagnosis for all people irrespective of age, sex or gender.	99%	93%
	11. HIV treatment uses WHO recommended regimens.	100%	97%
	12. Management of advanced HIV disease is available.	96%	62%
	13. Support is available to retain people across the treatment cascade including return to care.	94%	81%
	14. CD4 and viral load testing, and diagnosis of common comorbidity and co-infections are available for management of HIV.	99%	81%
TB/HIV	15. People living with HIV with active tuberculosis (TB) are started on ART early.	97%	91%
	16. TB preventive therapy is available for all eligible people living with HIV, including children and adolescents.	97%	66%
DSD	17. HIV services (prevention, testing, treatment and care) are available in health facilities, including sexual and reproductive health services, and outside health facilities including through community, outreach, pharmacy and digital platforms.	91%	62%
	18. Multi-month dispensing is available for ART and other HIV commodities.	96%	76%

ⁱ The table refers to W1+W2+W3 countries, in total 68 countries (multi-country grants excluded).

ⁱⁱ WHO/UNAIDS VMMC priority countries only (Ethiopia, Eswatini, Kenya, Lesotho, Malawi, Mozambique, Namibia, Tanzania, Uganda, Zambia, Zimbabwe).

Early observations on GC7 plans and ambitions highlight that preparation had an impact, but gaps remain

- Program essentials helped to focus country dialogue and identification of missing or lagging implementation.
- Greater use of HIV incidence data to prioritize HIV prevention investments (priority geographies and sub-populations).
- Increased focus on high impact HIV prevention interventions, including greater ambition for PrEP, needle and syringe programs and condom programs.
- Progress on transition to dolutegravir-based regimens (>80% of people on ART use DTG-containing regimens in GC7 FRs to date) - and optimization of HIV products, e.g., more HIV duo tests.
- Significant price reductions for HIV first line ARVs & some diagnostics (e.g., TLD <US\$45 per person, per year for the first time - a 25% reduction; blood-based HIV self-tests now available at US\$1).
- Increased investment in SRH, co-infections and co-morbidities.
- Matching Funds have catalyzed ambition including for PrEP and greater scale of HIV prevention for key populations.

(+)

- Significant gaps for ART/advanced HIV disease, condoms & PrEP identified in gap tables and PAAR.
- HIV prevention coverage gaps continue.
- Many applicants faced significant prioritization challenges (see TRP W1+2+3 reports).

(-)

Looking ahead for HIV

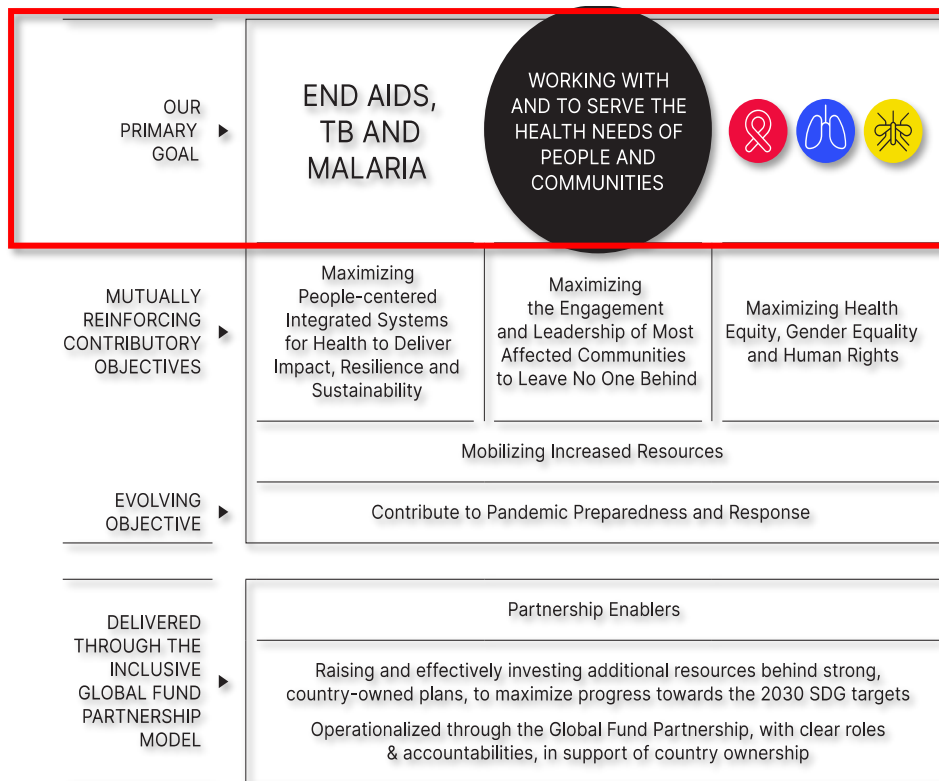
Need collective action to address – none easy, all possible

Outstanding Challenges

- **Delivering quality, tailored prevention programs at scale remains a challenge**, exacerbated by stigma, discrimination and closing civic space.
- The **reach of HIV prevention programming** for people with significant prevention needs is **insufficient** for impact (especially young KPs) – compounded by challenges in KP size estimation.
- **Financing remains a challenge – domestic contributions have not increased** to offset slight decline in external funding in real-terms.
- **Sustainability (and fragility) of the HIV response** is a critical concern for countries approaching epidemic control.
- **U = U** - maintaining lifelong viral suppression for large cohorts is necessary to sustain lower incidence – but is a **challenge in terms of costs and quality of services**.
- **Strengthened cross-sectoral collaboration needed to improve integration** to meet evolving needs of PLHIV and affected communities (significant comorbidities/co-infections impacting on health outcomes).
- **Prioritization** is difficult, but needs strengthened focus to increase impact and VfM.

Actions for Secretariat and Partnership

- **Leverage lessons learned to date to strengthen focus of remaining GC7 FRs and to support national programs**, including:
 - Catalyze greater integration of HIV services within comprehensive packages of essential services.
 - Expand service delivery options (e.g., pharmacies, bars), esp. for prevention and testing. Invest in 'last mile' service delivery.
 - Invest in national and regional public health institutions (including regulatory capacity).
 - Continue to invest in data for impact, including for size estimations of KP and AGYW subgroups.
 - Harness demographic and digital transformations.
 - Integrate successful investment approaches generated by GC6 catalytic investment in DSD, condom programs, TP, HIV prevention for AGYW and human rights.
 - Focus on policy, program, financing and systems shifts needed to underpin the sustainability of the response.
- Continue coordination with **technical partners** to support **prioritization of high impact interventions** (incl. program essentials).
- Continue efforts to ensure **more affordable, accessible and long-acting HIV products**.



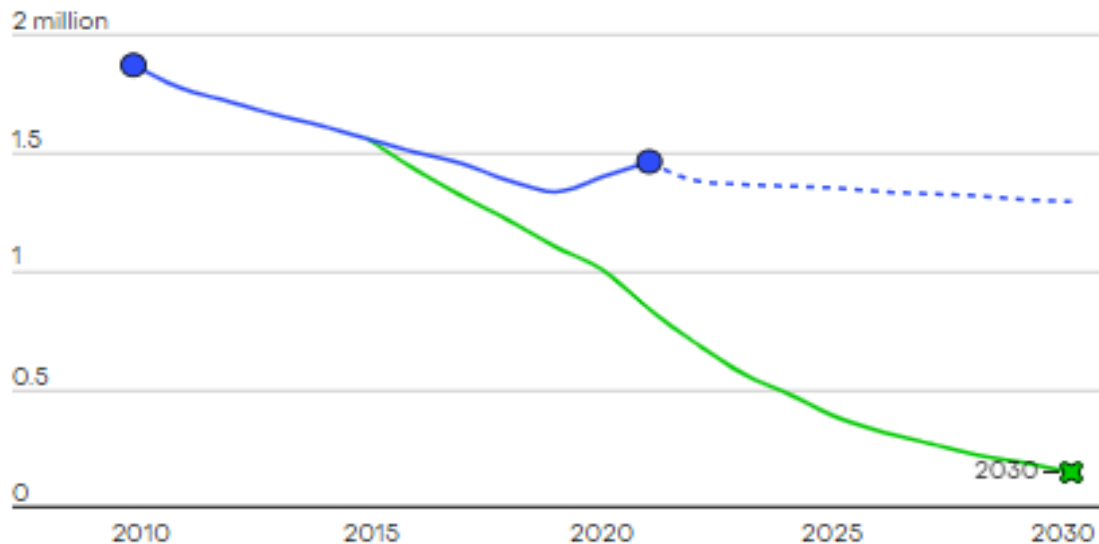
TB

While there was a rebound in 2022, global targets remain off track

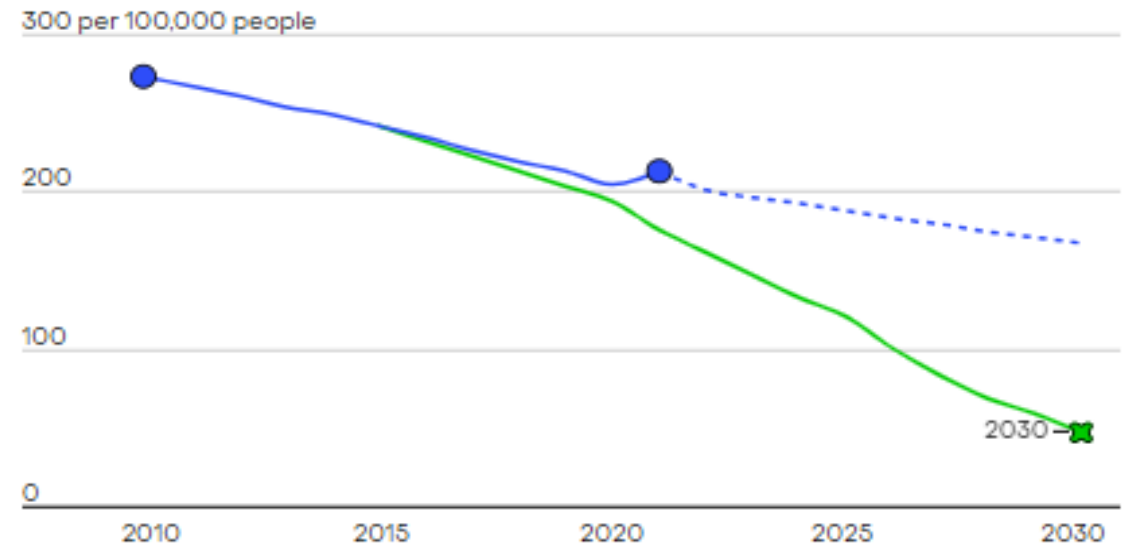
The disruption of COVID-19 on TB services was severe and the estimated 10.6 million people with TB in 2021 *increased* 4.5% from 2020 and 1.6 million people died from TB (including 187,000 HIV positive people).¹ Preliminary data from 2022 indicates a rebound from COVID-19, and while C19RM allowed for additional investment of US\$400 million, there is a significant funding gap to reach ENDTB targets.

— Historical trend - - - Continuation of recent trend — Global target pathway to 2030 ■ 2030 target

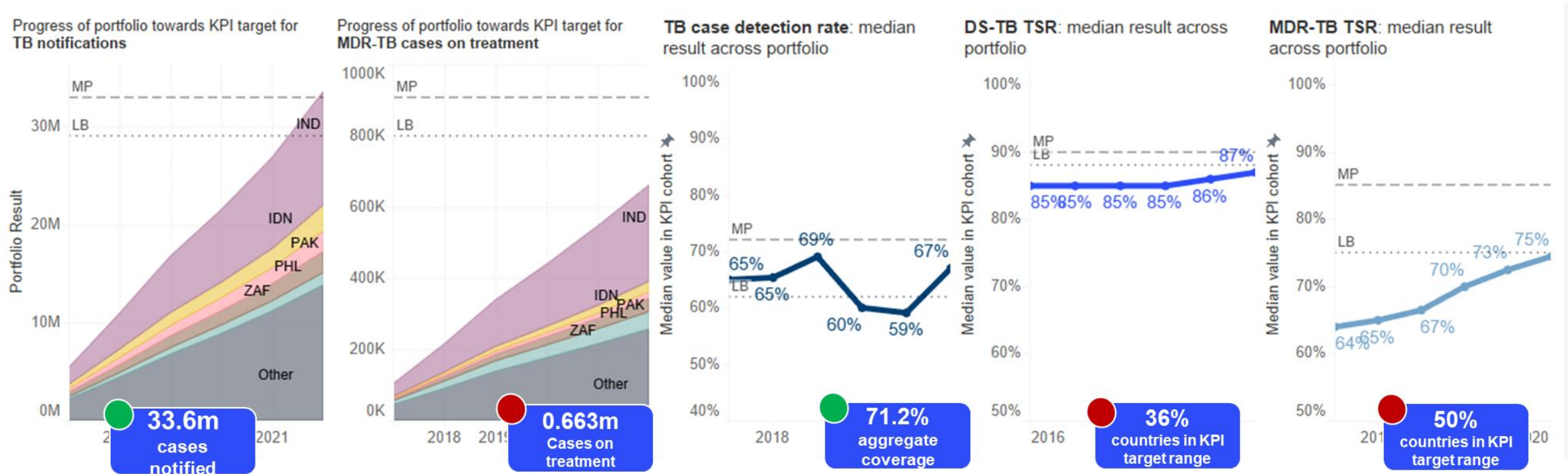
TB deaths: progress towards the WHO target*



TB incidence rate: progress towards the WHO target



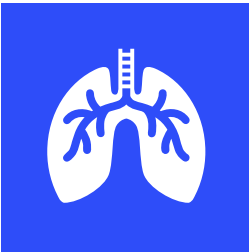
Within KPI results, despite strong case finding, treatment success and MDR-TB require urgent attention



Strong results on **case finding**, driven by Asia (es. India) with strong progress in Africa. Devastating impact of COVID-19 successfully mitigated with strong rebound in 2022. Very ambitious target not met for **Treatment Success Rates** (both DS- and MDR-TB) but improvement over Strategy Period. **MDR-TB** detection remain an issue (focus on early diagnosis needed?), Even if KPI target not met, satisfactory **ART coverage for HIV/TB coinfections**.

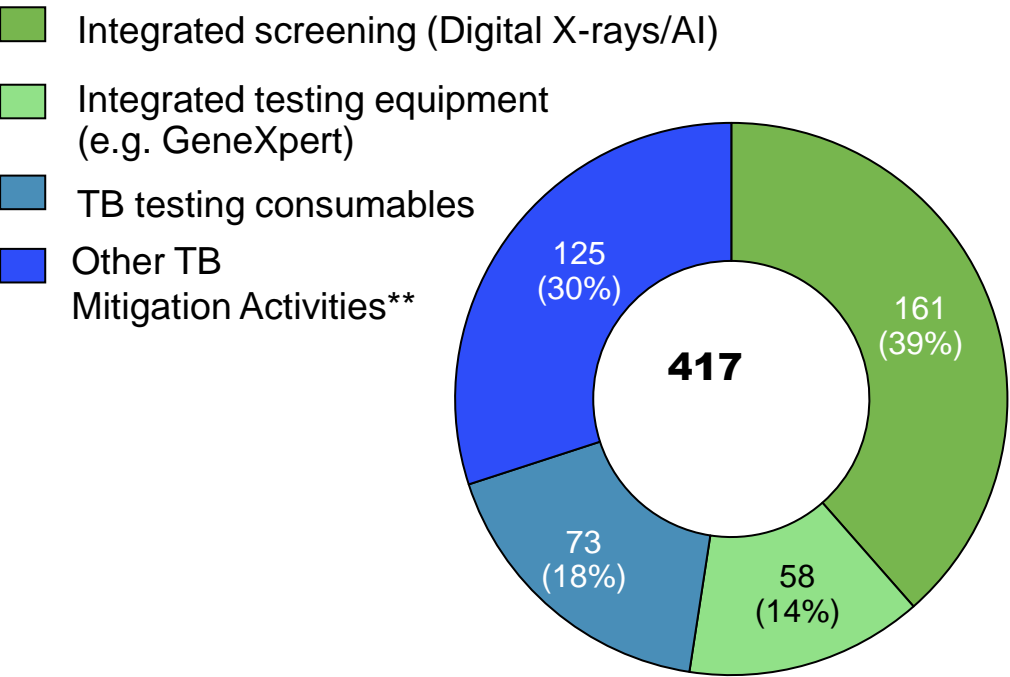
Residual Risk	High	Target Risk Timeframe	Jun 2025
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C19RM was critical for TB recovery

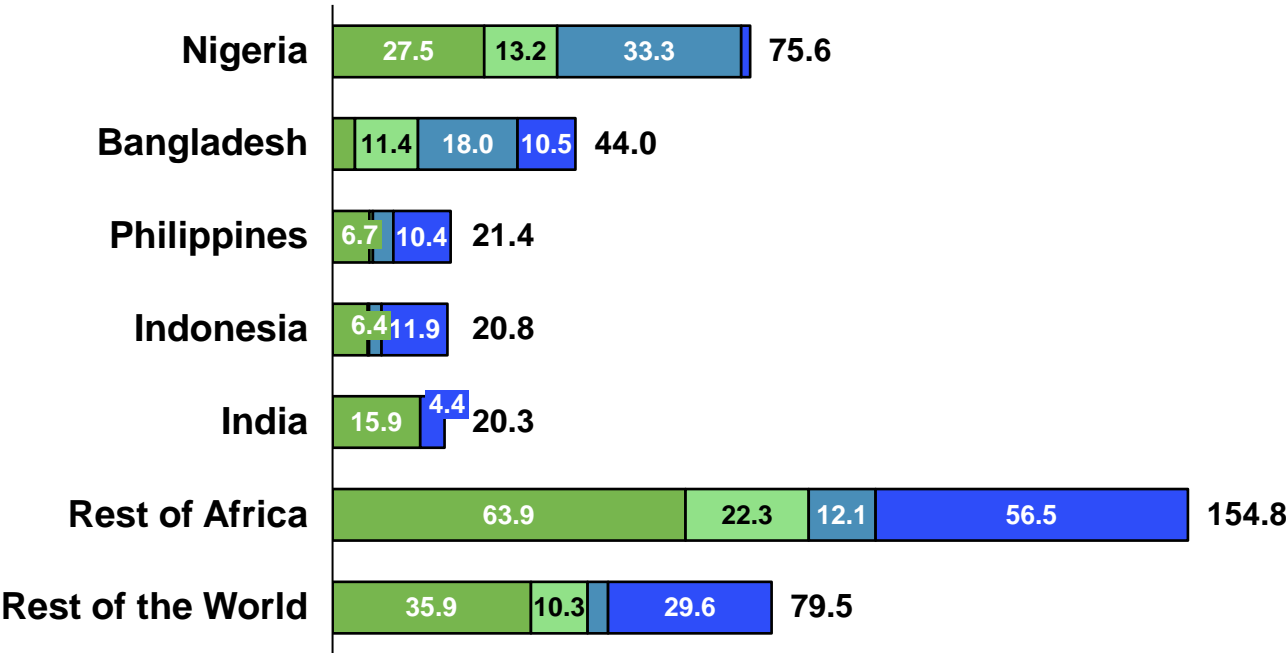


A total of **US\$417 million** has been awarded to **TB Mitigation and Integrated testing***. Requests for integrated screening and testing are generally submitted and awarded under the TB mitigation category, while contributing to strengthening multi-disease lab systems and diagnostics networks.

C19RM Awards in TB Mitigation (US\$ million)



C19RM Top 5 in TB Mitigation (US\$ million)

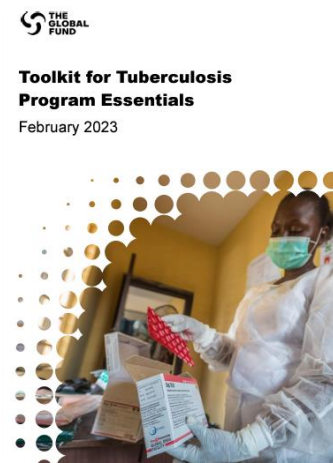


*As of 14 June 2023, source C19RM Secretariat ; **Other TB mitigation activities include Mobile Testing Vans, additional operational & campaign costs, community health workers (outreach).

GC7 *preparations* introduced program essentials, prioritized RSSH/PPR collaboration to catalyze change & rapid introduction of new tools and regimens

Developed a tool with 3 components to **support the scale up of critical interventions** and ensure equity in access for all populations

- ▶ TB Program Essentials baseline assessment
- ▶ Stakeholder and consultation
- ▶ Analysis & synthesis of results



Identified **4 areas** for enhanced TB-RSSH collaboration in 20 TB priority countries* to **catalyze change GC7**

- 1 **Laboratory Investments**
- 2 **CHWs Investments**
- 3 **Private Sector Engagement (PSE)**
- 4 **Results Measurement**
- 5 **EPPR/C19RM**

Focused rapid introduction of **new & more effective regimens and tools**

- ✓ Rapid scale-up of WHO recommended rapid diagnostic tools in GC 7
- ✓ The same is happening for BPAL/M regimens following May 2022 Rapid communication & Dec 2022 WHO Guidelines

Despite price reductions in key TB commodities, there is a significant funding gap in essential commodities in GC7



The Bedaquiline price drop from **US\$289 for a 6-month (6M) course to US\$130 per 6M course** from Lupin: **US\$194 per 6M course** from Janssen announced at end of August.



30% price decrease for 3HP (TPT) from US\$15 to US\$10.



20% price decrease for Xpert Cartridges taking the Xpert Ultra cartridge from US\$9.98 to US\$7.97. The agreement also has commitments on Service & Maintenance of machines. The Xpert XDR cartridge remains at US\$15.

What this means and on-going actions

- ✓ The funding gap for 54 countries which submitted FRs in W 1-3 is **US\$ 1B**. The gap is largely comprised of essential commodities especially diagnostics
- ✓ Incorporating efficiency into the grant making process should increase coverage of these and other TB commodities. Efficiencies will also trigger essential commodities to be moved from the PAAR
- ✓ Global Fund will continue to work with partners to shape the market for other TB essential commodities and further price reductions
- ✓ Global Fund will work with partners for innovative financing and with countries to increase domestic funding
- ✓ Cross cutting TB interventions integrated into RSSH and C19RM

Significant expansion plans to meet WHO-recommended molecular diagnostics (WRD)

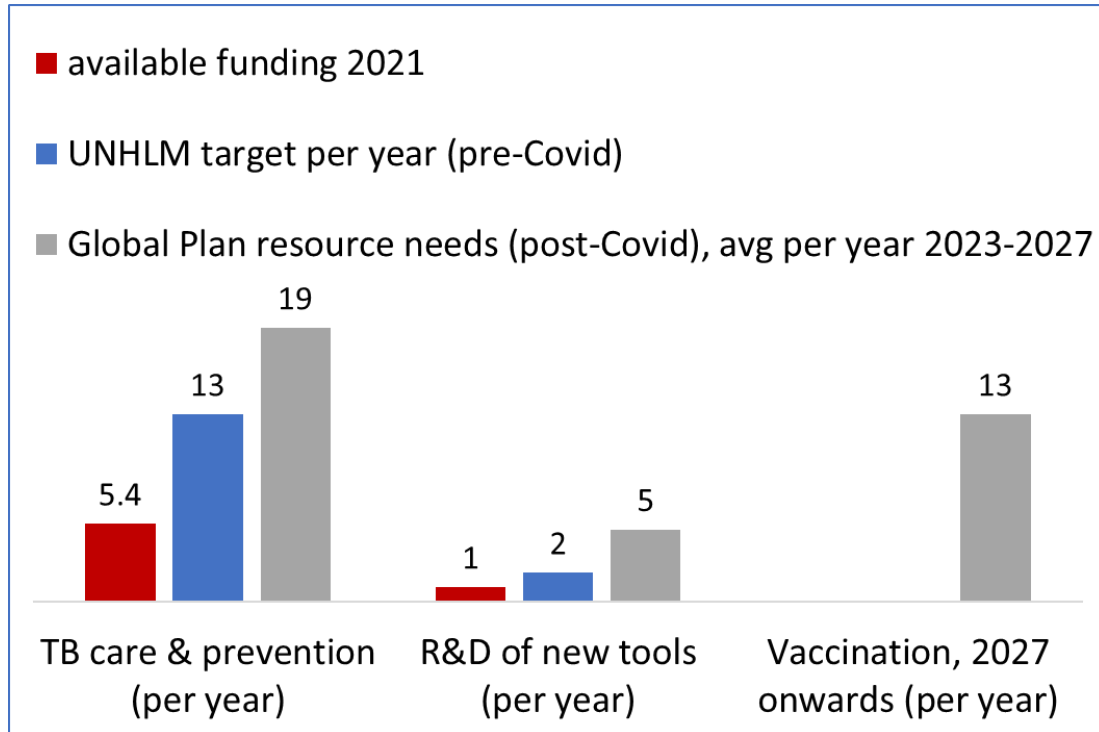
Gaps remain in meeting the cartridge needs for this expansion

Country	Access to mWRD Baseline (2021)	GC7 Ambition 2024 (Y1)	GC7 Ambition 2026 (Y3)	Amount included for GC7, Y1 (US dollars)	Estimated No. of rapid molecular tests needed annually to reach UNHLM*	Amount needed for estimated cartridges annually to reach UNHLM* (US dollars)	Estimated Gaps (US dollars)
Bangladesh	24%	49%	75%	\$3.1M	3.1M tests	\$30.5M	\$27.4M
Nigeria	70%	78%	83%	\$1.4M	3.9M tests	\$31.2M	\$29.8M
DR Congo	9.4%	20%	45%	\$1.25M	2.3M tests	\$18.4M	\$17M
Uganda	69%	90%	90%	\$3.7M	900K tests	\$7.2M	\$3.5M

Sources: GC7 Funding request forms, amounts subject to change. *Estimation of no. of tests: Modelled using “ Realizing the “40 by 2022” Commitment for UNHLM on TB, Amy Piatek et al. Excludes costs of service & maintenance. A subset of TB priority countries submitted in windows 1&2

Looking ahead post-UN HLM, advocacy and resource mobilization will be key to ending TB

Outstanding Challenges



Source: Global TB Plan

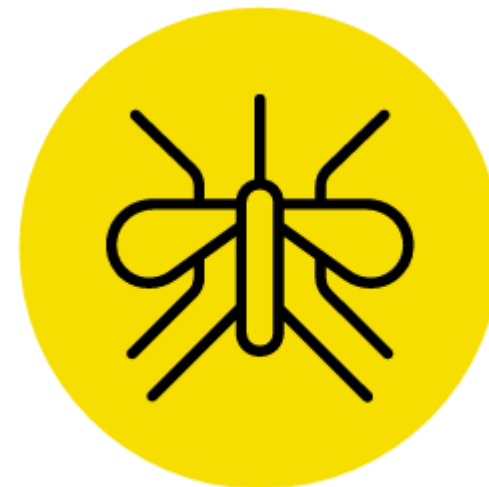
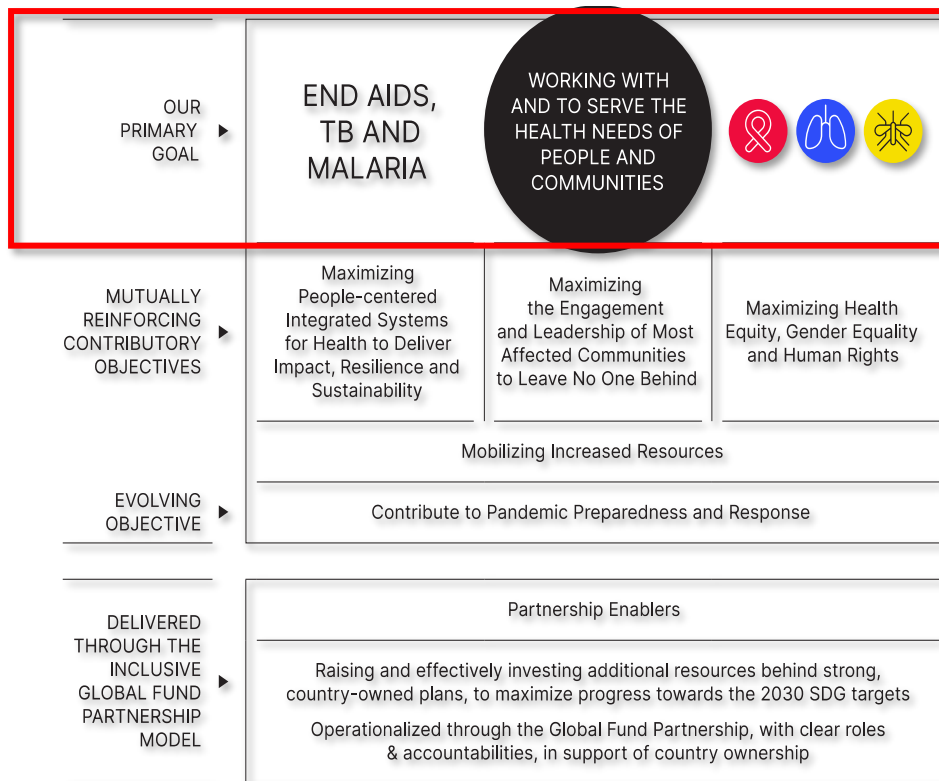
Actions for Secretariat and Partnership

Secretariat: Maintain focus on scaling up innovations in screening, diagnostics, treatment and prevention while accelerating Nextgen of products (e.g. antigen-based skin tests; LF-LAM technologies; next generation mWRD; pediatric formulations; TB vaccines); collaborate on RSSH catalytic investments in laboratory, CHW; PSE; and increasing measurement.

Integrating technical assistance for DR-TB into the grants, building from the support provided through Green Light Committee

Larger partnership considerations:

1. **Urgent need to ramp up funding for TB programs**, increasing domestic funding, supporting innovative financing mechanisms.
2. **Investing in TB strengthens pandemic preparedness.** Fighting today's pandemics builds country capacity to fight the next pandemic.
3. **Scale-up equity and access to innovations** to accelerate our progress toward ending TB.
4. **The three UNHLMs** on health this year and **HLM on AMR** in 2024 provide an opportunity to foster greater integration of efforts to end the major pandemics of today like TB, to enhance pandemic preparedness, tackle antimicrobial resistance and to make progress toward UHC.



Malaria

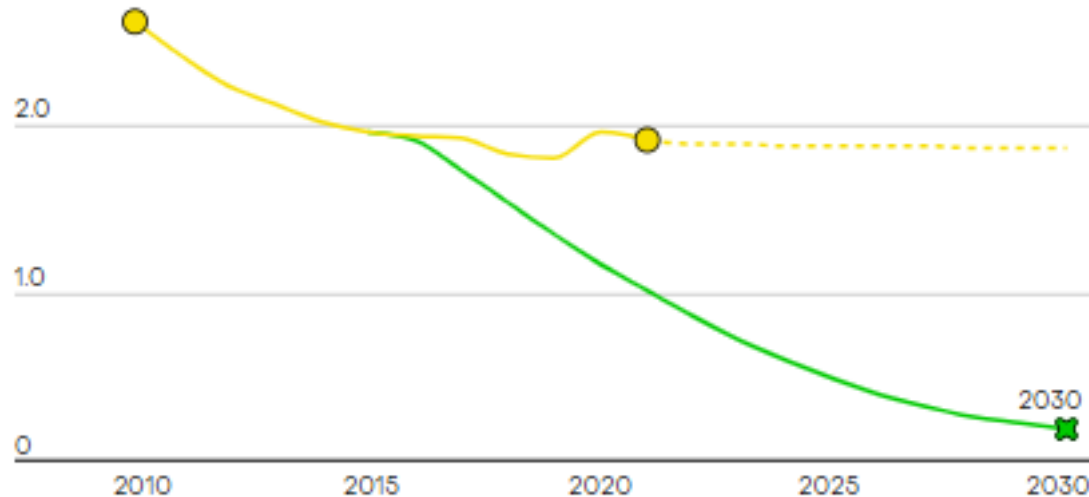
We are *off track* on Global Technical Strategy* for Malaria

By 2020, key milestones for reducing malaria cases and deaths **had not been achieved, but milestones for elimination and prevention of reestablishment had been met**. By 2021, Global malaria case incidence was 59 cases per 1,000 population at risk, against a target of 31 cases per 1,000 – **off track by 48%**

— Historical trend - - - Continuation of recent trend — Global target pathway to 2030 🟩 2030 target

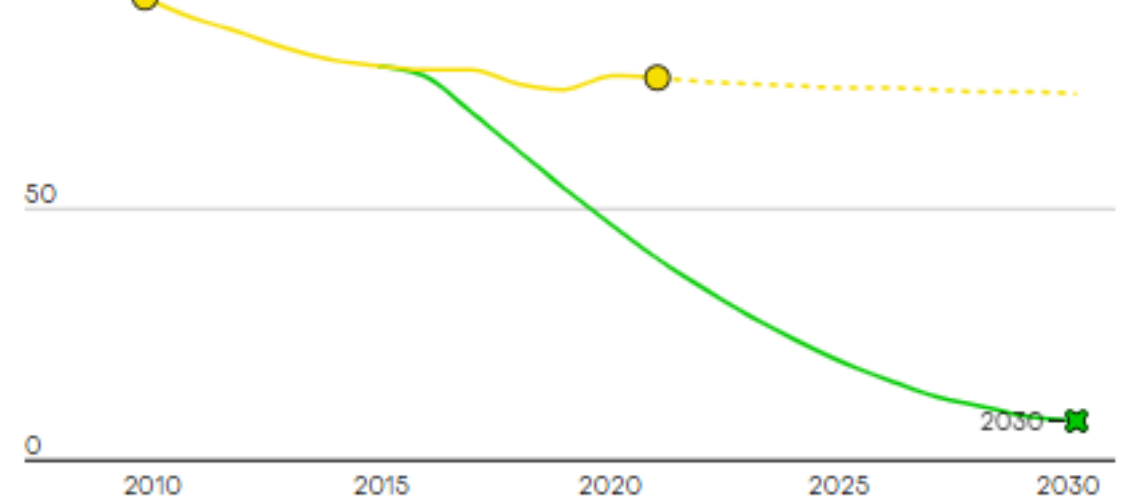
Malaria mortality rate: progress towards the WHO target

3.0 per 10,000 people at risk



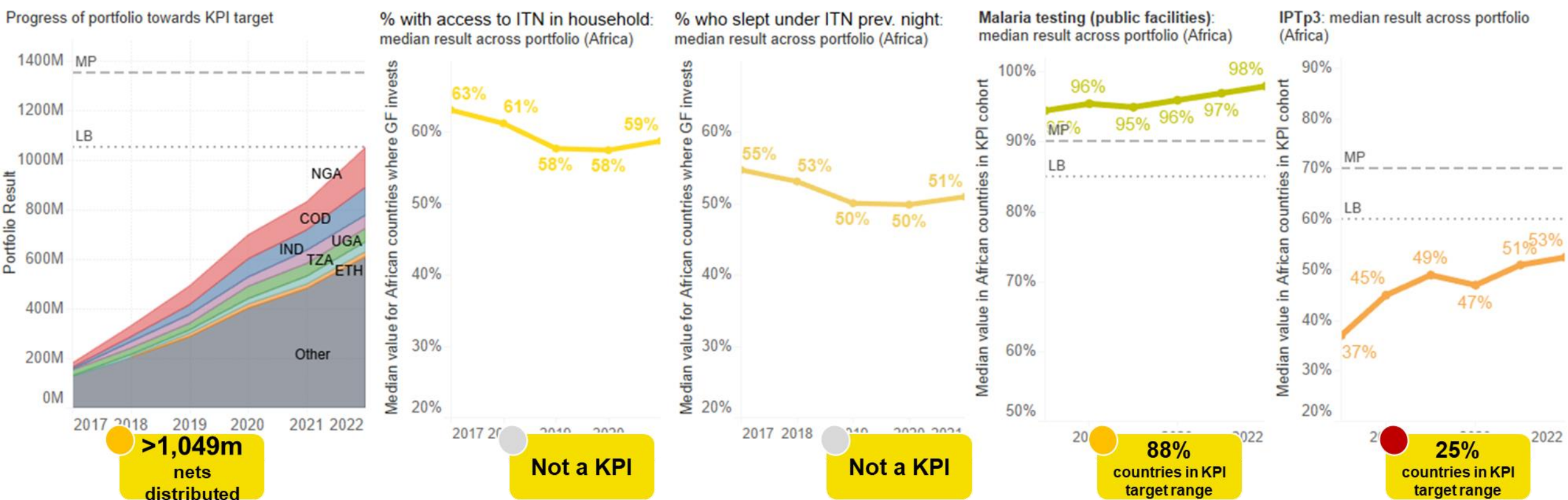
Malaria incidence rate: progress towards the WHO target

100 per 1,000 people at risk



*The *Global technical strategy for malaria 2016–2030* was adopted by the World Health Assembly in May 2015. It provides a comprehensive framework to guide countries in their efforts to accelerate progress towards malaria elimination. The strategy sets the target of reducing global malaria incidence and mortality rates by at least 90% by 2030

KPI results remain low with a recent increase to very high risk



Positive results on **net distribution**: KPI result significantly underestimates portfolio achievement because of subnational reporting in some large countries (e.g., India). Good performance on testing (public facilities) across portfolio. KPI target not met for IPTp3 with low targets at country level. No outcome KPI available for vector control (e.g., no KPI on net population coverage or use)

Residual Risk	High	Target Risk Timeframe	TBD
Risk Appetite	Very High	Direction of Travel	Increasing
Target Risk	Moderate	Status to target risk timeframe	TBD

Threats to ending malaria are real and here now, but some are looming



Insecticide resistance and insufficient coverage are leading to increased burden *now*

Resistance to pyrethroids, the mainstay of malaria vector control, is entrenched and widespread

More feasible solutions exist – e.g. new nets (which can halve cases compared to standard nets) are higher in cost and have limited supplier base, though SI investment has helped lower prices and expand access



Drug resistance is not increasing case burden, but has *potential* to dramatically impact morbidity and mortality

Partial artemisinin and partner drug resistance already emerging in Eritrea, Rwanda, Uganda, Tanzania; emerging evidence of delayed parasite clearance and molecular markers

Solutions are less feasible - main alternative first-line ACTs* are 2-3 times more expensive with unstable supplier base due to low demand



The challenges can be clustered into four themes

- 1 **Financial gaps** – we don't have enough money. So, for example, even as the quality of programming is improving and more cost-effective, there's a higher absolute cost
- 2 **Insecticide resistance** – *our tools are not as effective as they used to be* and we need to act with urgency. In GC6, the Global Fund along with other partners used catalytic investments to bring tools faster and mainstream, driving down costs, but funds to drive change are constrained in GC7.
- 3 **Climate change** – the disasters and events disproportionately impact malaria (malaria grants accounted for 45% of the Emergency Fund utilization in GC6)
- 4 **Health systems** – early diagnosis and treatment coupled with timely and accurate reporting and recording is critical to drive quality malaria care as an essential part of basic primary health services

Based on *preliminary analysis* of windows 1 and 2, these themes emerge throughout, particularly **funding gaps**

Initial picture already changing

- W1 saw gaps in essential services in Y3
- Led to TRP recommendation to fully fund 'essential' case management across GC7
- W2-3 countries FRs responded, W1 countries adjusting in grant making
- Case management adjustments led to bigger gaps in vector control

Key funding challenges remain

- Vector control and seasonal malaria chemoprevention remain underfunded – struggle to maintain coverage means inability to innovate around delivery models or expanded deployment
- Examples of ITN gaps (at time of publication**): Guinea: US\$17m; DRC: US\$200m; Senegal: US\$20m
- Partners struggling to maintain historic geographic coverage → some withdrawal of ITN campaign support (e.g., Guinea, Senegal, DRC)

Insufficient program scope owing to funding challenges, prioritization decisions and/or bio-threats

The estimated malaria **funding gap for Windows 1 and 2 is approximately US\$1 billion** to *sustain* essential services

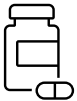
In the longer term, we need different levers (including some in the pipeline) and evolved approaches



Exploring **innovative financing approaches is critical** as the funding gaps require increased capital beyond domestic, partner and GF resources. This may involve trade-offs within how we allocate funding to malaria as the GF; all options need to be investigated.



Improving effective vector control is essential to maximize the impact of our most important tools



Preparing for drug resistance should not be a choice given early indications of resistance – investment in new treatments now ensures we can respond to a tipping point



Ensuring the new vaccines are appropriately prioritized given limitations to their incremental cost effectiveness



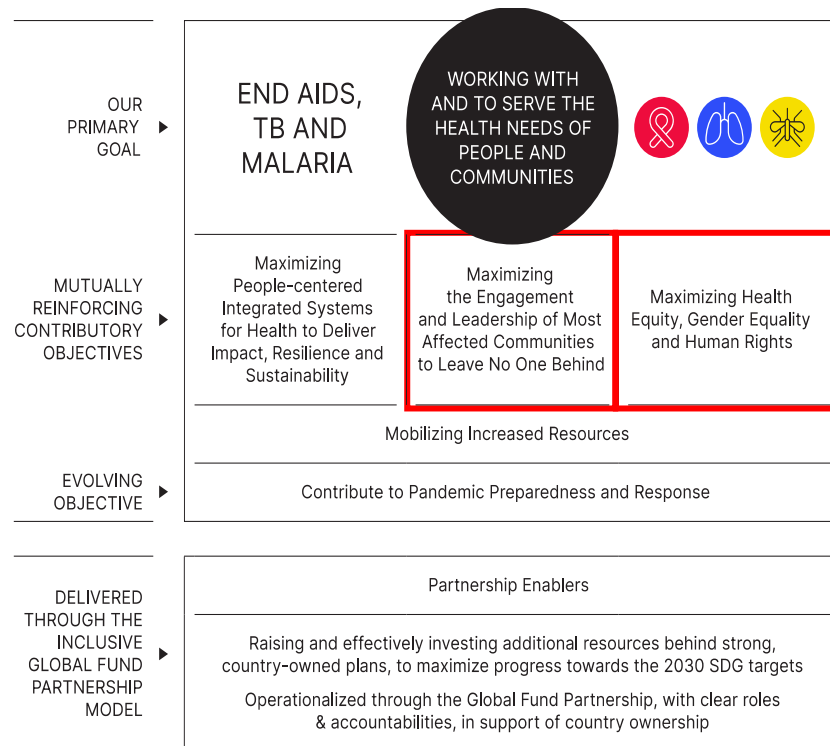
Building resilient and sustainable systems for health with an emphasis on primary health care must be part of the global plan. These will be critical with climate change realities upon us.

Questions for Board discussion on HIV, TB and malaria

Proposed questions for discussion



- 1 Do you agree with the severity of risk to our collective mission to achieve SDG 3.3 to end HTM by 2030?
- 2 Are there observations on the preparations and/or preliminary findings from GC7 from your constituencies *not* captured here?
- 3 How can we address the waning political attention to the unfinished mission of ending HIV, TB and malaria?
- 4 How can we better convey the extensive linkages and interdependencies between progress on HTM (still the three single largest infectious disease killers) with strengthening health and community systems, building pandemic preparedness capabilities, reducing health inequities, and addressing urgent health needs arising from climate change and conflict?



Communities, Health Equity, Human Rights & Gender Equality

*This section highlights elements of communities, equity, human rights & gender – however, as a mutually reinforcing objective, **core inputs & results are, by definition, integrated across HTM***

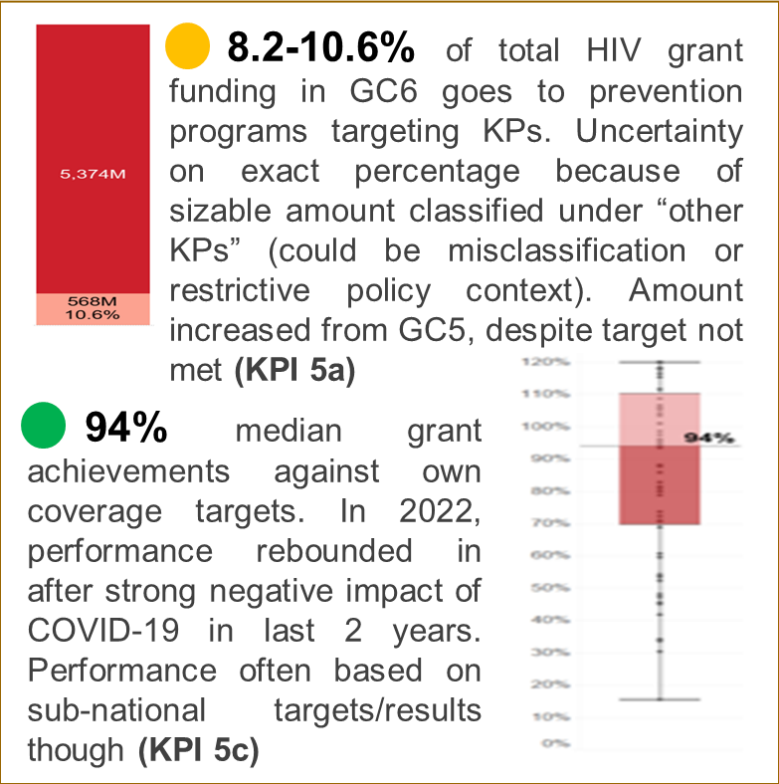
Despite challenging contexts, programs to address human rights and gender barriers, address inequities, and strengthen communities help increase impact of grants

- Well-resourced and coordinated **global anti-rights and anti-gender movements** are making significant strides in rolling back progress on the rights of LGBTQ communities, women and girls, and other key and vulnerable populations.
- In all regions, key populations and organizations that work with them, are facing increasingly **hostile political rhetoric, crackdowns on their activities, and restrictions** on civic space that are putting them and their work at risk.
- Programs to address human rights and gender-related barriers, **increase equity, and strengthen the leadership and engagement of communities**, build a strong foundation that enables communities and the organizations that work with them to adapt when risks increase, or crises occur.
- These evidence-based programs reinforce **the impact of our grants and improve disease outcomes.**

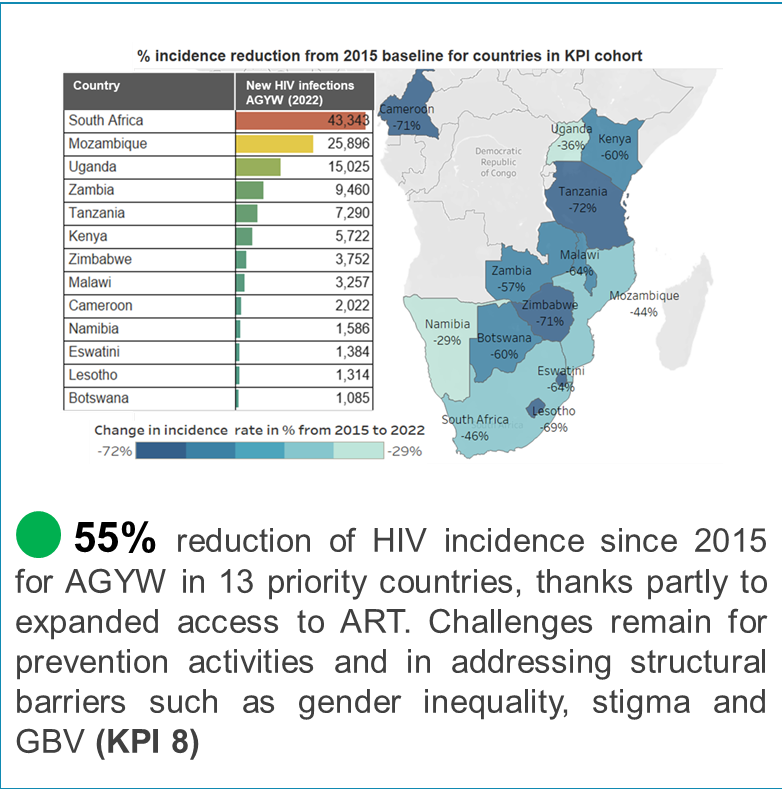


KPI results demonstrate some progress, but work remains in domestic financing and addressing human rights barriers

Key populations in HIV grants



Gender – HIV incidence for AGYW



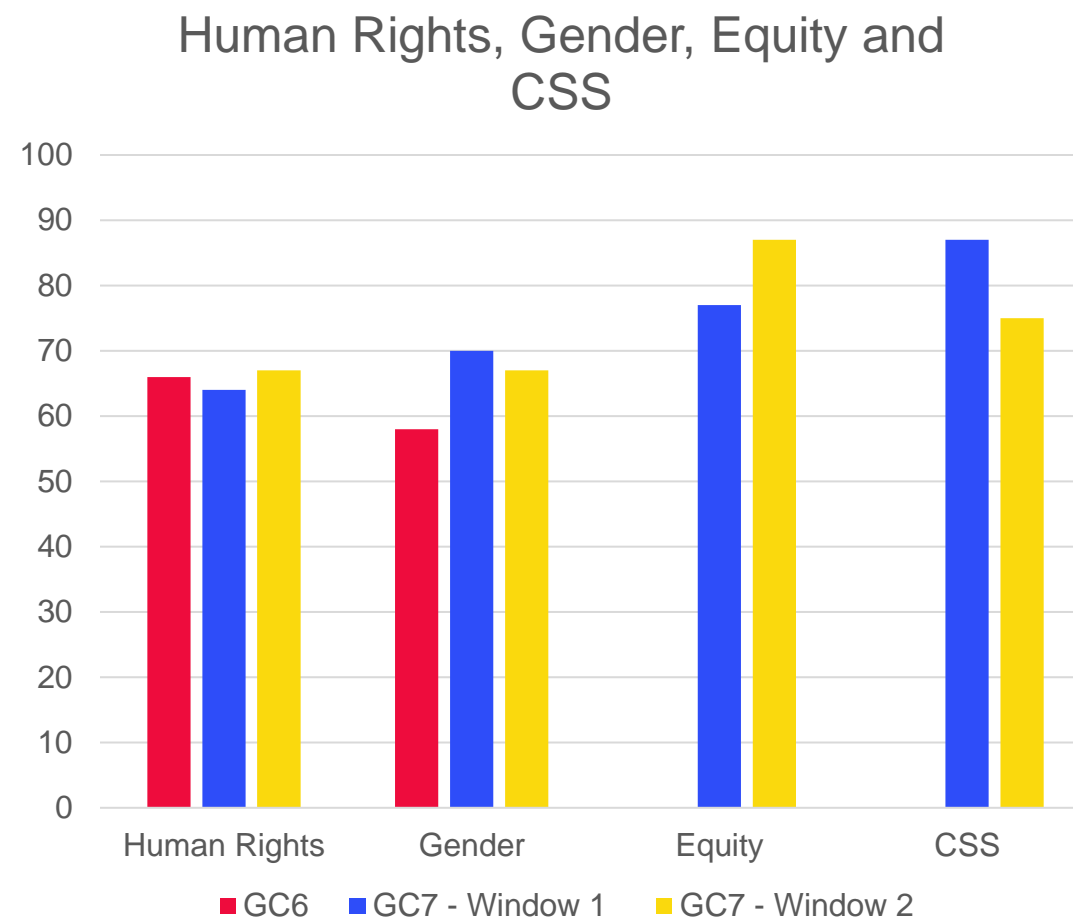
Human Rights in HIV and TB programs

- **3.26%** (HIV grants) and **2.42%** (TB grants) of total GC6 grant funding is invested in programs to reduce HRTs-related barriers. Higher share in BDB countries and increase from GC5, especially significant for TB grants (**KPI 9b**)
- **No** country met Global Fund benchmark for % of domestic investments in social enablers, including programs to reduce human rights related barriers. Data sourced from GAM but challenges with data quality, availability and consistency (**KPI 9ci**)
- Target will **not be met** (final results to be reported in Spring 2024) for countries with comprehensive programs to address Human Rights barrier, Despite initially strong improvements against baseline, progress slowed down in second part of Strategy period (**KPI 9a**)

Risk Name	Residual Risk	Risk Appetite	Target Risk	Target Risk Timeframe	Direction of Travel	Status to target risk timeframe
Human Rights & Gender Equality	High	N/A	N/A	N/A	Increasing ↑	N/A

In Windows 1 and 2, TRP found increase in number of funding requests that address gender barriers while over 80% include equity and community-led interventions. However, bringing quality programs to scale remains a challenge

- In GC7 FR , requests to address **human rights**-related barriers flatlined at 66% of grants compared to GC6.
- Requests addressing **gender**-related barriers increased from 58% in GC6 to 70% in GC7.
- An average of 82% of FR's included **equity**-oriented outcomes.
- Countries that received matching funds and technical support through the Breaking Down Barriers Initiative had higher quality interventions to address human rights and gender-related barriers.
- An average of 81% included well-articulated roles for **community-led and -based organizations in service delivery**.
- **Integrating quality programs at scale**, across the portfolio **remains a challenge**, particularly in the face of increasing attacks on human rights and gender equality.
- Increased focus on **intersectional approaches** is needed.



Responding to risk in the current political climate

Building a more ambitious and systematic approach

- The Global Fund is adopting a more **ambitious and systematic approach** in GC7, including through purposeful partnerships, requirements such as the **Gender Equality Marker**, and new definitions and guidance to support assessment of **human rights and gender equality risks** in country, program and grant contexts, to identify appropriate mitigation strategies.
- Implementing the **CRG related Strategic Initiatives**, including supporting safety and security assessments of key population implementers, and providing technical assistance to strengthen community engagement and leadership will also support mitigate some of the risks in highly volatile contexts
- **Trainings** on human rights, gender, and community systems strengthening risks have been held within the Secretariat.



As we move into GC7, the global context in which we operate is getting more difficult and *requires collective action*

As we committed in the Strategy, we will continue to



Scale up programs and initiatives in more countries and expand coverage within countries to improve the safety and security of key population programs, strengthen community-led monitoring, and address human rights and gender-related barriers

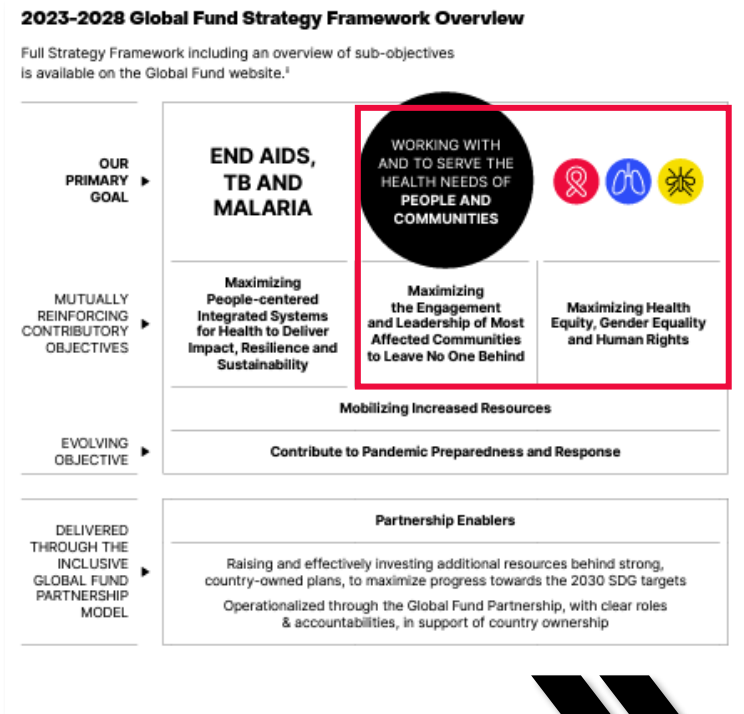
Innovate and implement new ideas and initiatives to reach populations left behind, such as work to reach last-mile TB key populations, get funding to women, girls and gender-diverse communities through the Gender Equality Fund. Prioritize new approaches to increasing equity-oriented programming and intersectional approaches.

Strengthen capacity across the partnership to respond consistently, clearly, and effectively to crises, in a way that does no harm to the communities we serve. Continue to strengthen Secretariat's approach to equity and intersectionality.

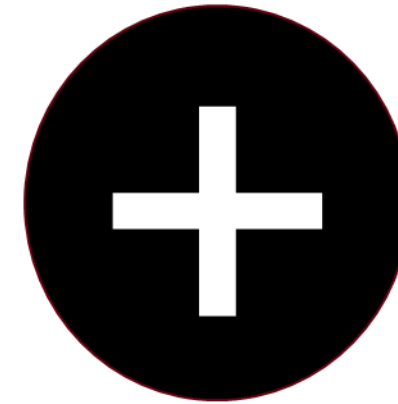
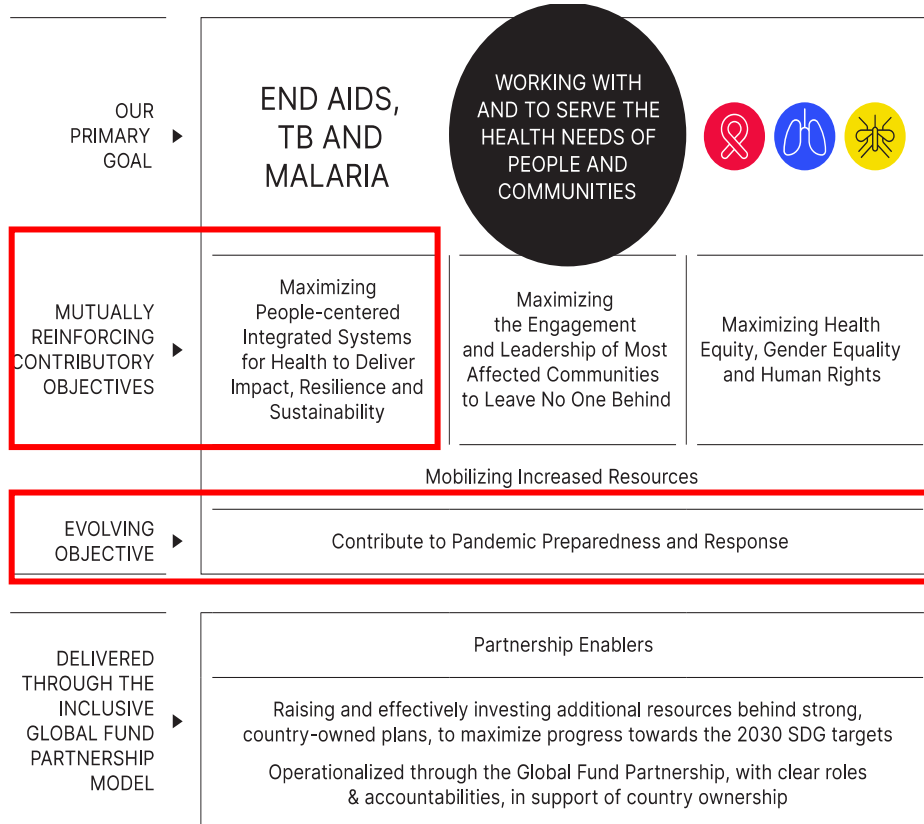
GF invests within an environment where we have limited agency – but where we do have influence, we need to double down and be intentional. However, it can't be just about what the GF can do – it has to be what we can all do – every partner, in every country. And it's not going to change in this room, we need our Board more than ever to commit to action.

Questions for Board discussion on Communities, Health Equity, Human Rights & Gender Equality

Proposed questions for discussion & solutioning



- 1 Do you agree with the severity of risks described here to communities and progress on health equity, human rights and gender equality?
- 2 Are there observations on the preparations and/or preliminary findings from GC7 from your constituencies *not* captured here?
- 3 The Global Fund is utilizing every lever it has from its grants to catalytic investments (*all* modalities) to the Secretariat itself – is there something we are missing?
- 4 How do we collectively counterbalance these well coordinated efforts – are there missed opportunities to emphasize the “U” in UHC?



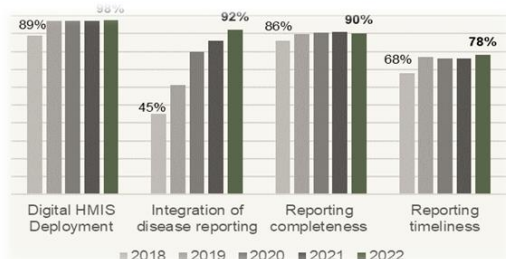
RSSH & PPR (including C19RM)

*This section highlights elements of RSSH, PPR and C19RM – however, as a mutually reinforcing objective, **core inputs & results, by definition, are integrated across HTM***

Setting the Scene

Highlights from Strategic Performance Reporting: End 2017-22 Strategy

Data systems / HMIS



● **55%** countries with fully deployed and functional HMIS. Progress over 2017-22 notably in Integration, but COVID-19 disruption prevented improvement in Timeliness (KPI 6d)

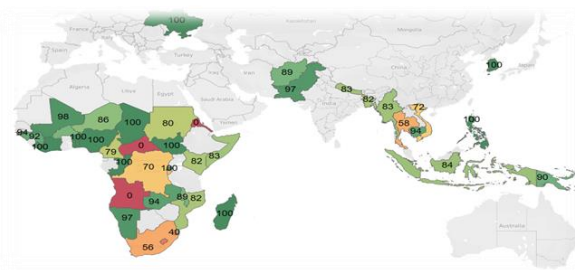


● **76%** High Impact countries are using disaggregated data to inform planning or programmatic decision making (KPI 6e)

Public Financial Management (PFM)



● **100%** (8 of 8) high priority countries transitioned to PFM contributing to financial management sustainability, aid effectiveness, accountability & transparency (KPI 6ci)



● **74%** (34 of 46) countries met defined financial management systems standards (KPI 6cii) with progress disrupted by COVID-19 related reprioritizations

Supply Chains

On Shelf Availability

HIV Diagnostics	2022	84%
HIV First Line Drugs	2022	87%
Malaria Diagnostics	2022	84%
Malaria First Line Drugs	2022	88%
TB Diagnostics	2022	81%
TB First Line Drugs	2022	83%

● **All** tracer medicines & diagnostics had On Shelf Availability (OSA) higher than their respective targets, leading to an average OSA higher than 80% for every category. There was a strong rebound in 2022 and overall OSA improved for all product categories since baseline (KPI 6b)

Risk	Residual risk	Risk appetite	Target risk	Target risk timeframe	Direction of travel	Status to Target risk timeframe
M&E	Moderate	Moderate	Moderate	N/A	Steady →	Within Risk appetite
Procurement	High	High	Moderate	June 2024	Decreasing ↓	On track
Quality of Health products	Moderate	Moderate	Moderate	N/A	Steady →	Within Risk appetite
Workforce capacity, efficiency & wellbeing	High	N/A	N/A	N/A	Steady →	N/A
In-country Supply chain	High	High	Moderate	June 2024	Steady →	At risk
Accounting & Financial Reporting by countries	High	High	Moderate	Dec 2023	Decreasing ↓	On track

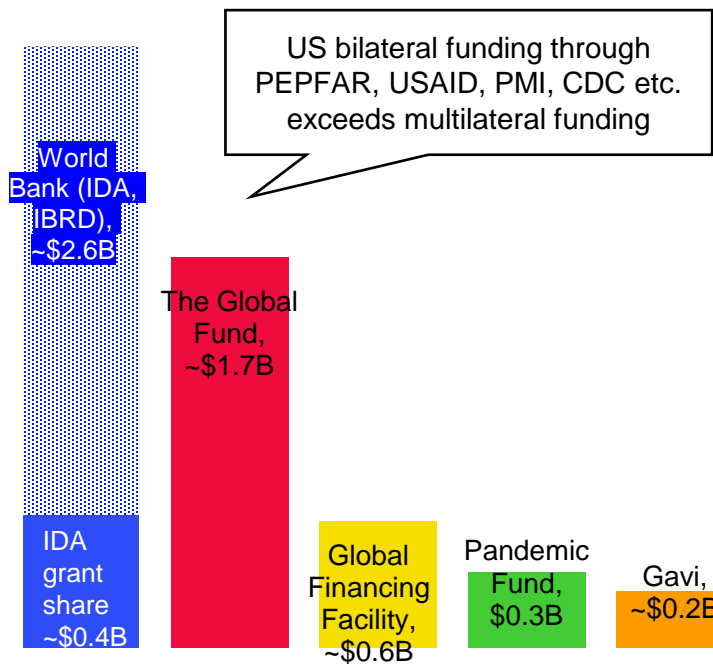
The Global Fund is playing a unique and critical role in global “systems for health” and PPR ecosystems

The Global Fund is the largest multilateral grant financier of systems for health

The Global Fund plays an important complementary role with other financiers, with its focus on key systems functions

Annual funding for health systems by multilateral institutions

Illustrative



World Bank

- Provide result-based **financing platforms** to promote comprehensive HS/PHC reforms
- Promote **comprehensive service delivery re-design** for PHC/RMNCAH-N improvements

GFF

- **Leverage World Bank IDA for RMNCAH-N**
- **Strengthen country owned platform** and partner resource alignment
- Health financing reform support

Gavi

- Focus on **health system functions** that contributes to immunization results – Supply chain and data (in close coordination with GF), “zero-dose” service delivery

Pandemic Fund

- Focus on strengthening **PPR functions**
- **Award selected countries** via implementation entities for each round



- **Largest global grant funder** that provides **predictable/ long-term (multi-cycle) funding** to **strengthen key health systems-PPR functions in an integrated way**

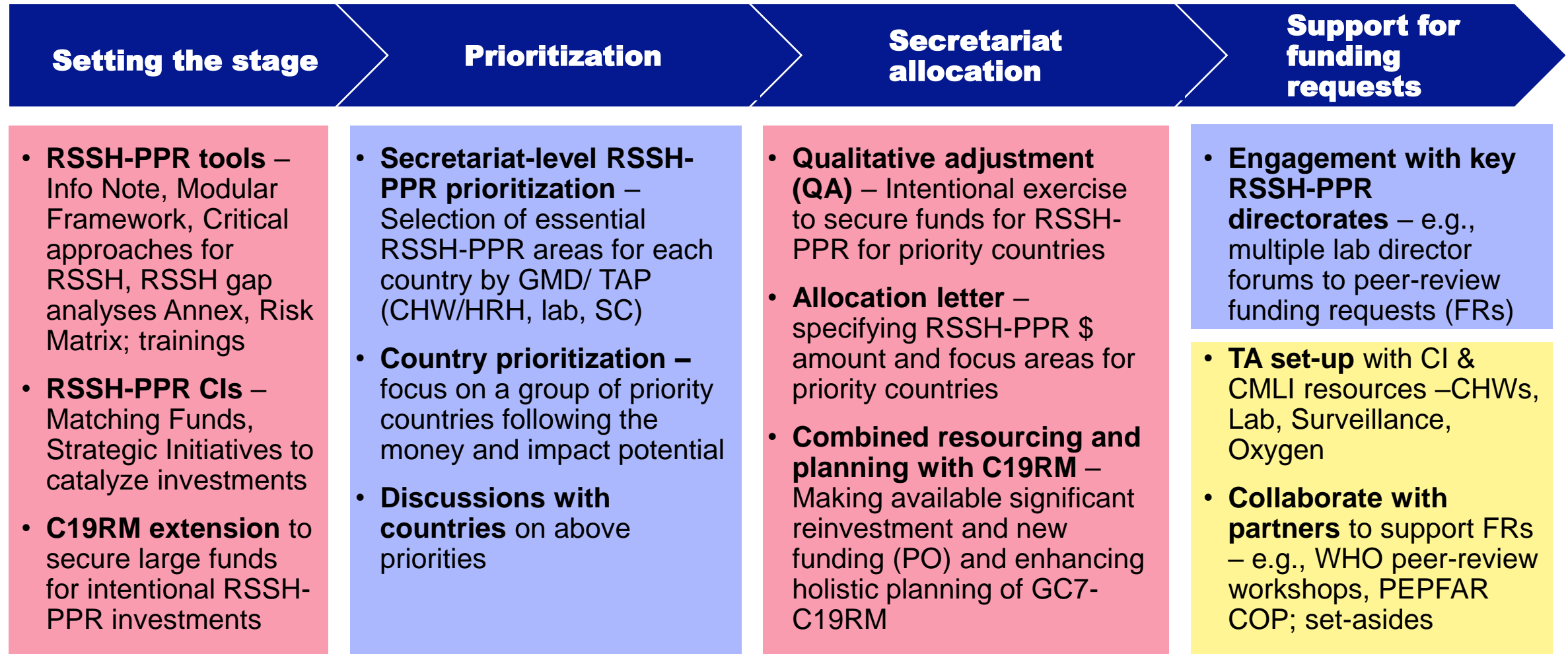
Source: GC7 period direct, contributory and C19RM RSSH annualized, Pandemic Fund awarded amount, GAVI 2022 financial report 2021 figure, IHME data base World Bank figures for IDA and IBRD average 2017-19 all development assistance for health, blue segment only showing grant share of IDA as per CGD estimate of 24% (baseline scenario), GFF 2021-22 annual report 2021 figure; PHC = primary healthcare, RMNCAH-N = reproductive, maternal, newborn, child & adolescent health + nutrition

The Global Fund's RSSH-PPR work aims to capitalize its unique strengths

Global Fund's six unique strengths in RSSH-PPR

- 1** Can work effectively with **governments, private sector and communities** (vs. govt only or through NGOs or other entities only) to help provide integrated people-centered services
- 2** Can **integrate investments to fight HTM with efforts to build systems for health and PPR capacity**, leveraging platforms (data systems, surveillance, etc.), infrastructure (labs, supply chain) and human resources
- 3** Can **enhance broader health system capacity by simultaneously reducing disease burden and investing in health system** capabilities and infrastructure
- 4** Can **strengthen countries' key RSSH-PPR functions strategically and consistently through predictable & long-term (multi-cycle) funding** (vs. ad-hoc or opportunistic support)
- 5** Can combine **market shaping** with support to local manufacturing, strengthening of supply chain and service delivery systems and provide end-to-end support (vs. service delivery support only)
- 6** Can **work in Partnerships** with set-asides, HTM situation rooms, RSSH-PPR working groups, as well as **regional institutions** (e.g., Africa CDC, via SIs and CMLIs) vs. isolated projects

In preparing for GC7, Secretariat delivered all planned strategic activities to improve the quality & quantity of RSSH-PPR FRs



Note: PO: Portfolio Optimization; CI: Catalytic Investment; CMLI: Centrally Managed Limited Investment from C19RM; COP: Country Operational Plan

Critical levers in 2022 strategy
(See slide 29 for details)

Policy and systems incentives

Country engagement/dialogue

Technical support

Preparation also included identifying drivers of low absorption in GC6 to proactively mitigate in GC7

COVID-19 context in GC6 made RSSH investment implementation particularly challenging as grants were delayed, MOHs had other urgent priorities, and TA could not be effectively deployed; however, there are **underlying structural factors driving low RSSH absorption that should be tackled for GC7**

Fragmentation of investments

For Global Fund grants, countries have **10+ RSSH function areas being implemented simultaneously** and often across implementing entities, as well as **fragmentation across donors and agencies, with no functional coordinating and accountability mechanisms** or link to robust national plans

Implementation arrangements

RSSH investments are **often de-prioritised against programmatic focus** – in many cases they are managed by disease programs and RSSH-PPR entities are not leading implementation

Weak monitoring and oversight

RSSH indicators were poorly defined without clear linkage with investments, and were not used for Performance Frameworks in GC6, not serving as incentives to drive implementation. Moreover, there was **low secretariat bandwidth** for monitoring & oversight of the implementation of RSSH investments

Inadequate TA

TA provision to support RSSH has been uneven and/or delayed, **many of RSSH SIs in GC6 were used to test new/innovative approaches**, rather than supporting implementation of RSSH investments, and **TA often reflects donor priorities more than country priorities**

Preliminary GC7 observations show promise in prioritization & focus, with work remaining

- Highest levels ever of RSSH-PPR investment expected over GC7 period (GC7 allocations + C19RM resources)
- CCMs prioritizing C19RM resources to address RSSH investment needs in context of flatlined HTM funding
- Direct RSSH investments for GC7 have demonstrated more targeted, less fragmented investments than past cycles (e.g., doubled budget for HRH/CHW and Labs, unprecedented investment in O2 and Surveillance).
- RSSH “Critical approaches” guidance largely led to improved investment focus, with following observations:

HRH

- + More effective interventions to improve performance; integrated HRH strategic planning to support workforce development; system readiness to scale CHWs aligned with WHO guidance.
- Continuing support for salaries & benefits (noting in some contexts, this is more needed than in others)

LABS

- + Most FRs based on updated national lab strategic plans; demonstrated participation in external Quality Assurance (QA) schemes; implemented ISO 15189 standards; but
- Few FRs show evidence of integrated diagnostic network optimization exercises or integrated specimen referral networks; heavy focus on salaries/ incentives in some contexts

HPM

- + Most FRs show evidence of planning & procurement quantification exercises; and strengthening of Health Product Information Systems;
- Few FRs have evidence of strengthening national regulatory systems for QA.

Strategy Committee support for 4-point plan; modeling & measurement; with strategic dialogue on contributory RSSH

Second portfolio optimization of C19RM resources drives deliberate shift towards RSSH and PPR

Strategic shift is evident. 78% of the C19RM reinvestments and PO Wave 2 Awards (as of 6 Oct) reflect the strategic shift to RSSH and PPR*, with strong, fit-for-purpose country consultation demonstrated.

Strong country examples to amplify. Good examples of novel, effective country governance and implementation arrangements, e.g. Zambia MOH PR delegated lead convening authority and implementation oversight responsibilities to Zambia National Public Health Institute.

Improved Performance Frameworks including custom Work-plan Tracking Measures to guide programming.

On going efforts to ensure

Alignment with World Bank Pandemic Fund (PF)

- ✓ While Global Fund is not a recipient of PF funds from their first call for proposals, efforts underway to ensure complementarity of investments (PF first call focused on 3 of the same investment areas as Portfolio Optimization Wave 2).
- ✓ Leveraging CCMs and MOH (as PR for many C19RM grants and PF proposal leads) to strengthen alignment between investments at country level and strengthen community and civil society engagement.
- ✓ Global Fund actively engaging with PF to strengthen collaboration going forward and awaiting lessons learned and next steps from the PF. See [GF/SC23/13](#).

*Otherwise prioritized for HTM program resilience; remaining COVID-19 priorities.

Looking ahead: Ensuring increased alignment, prioritization and partnerships for GC7 and C19RM

Outstanding Challenges

- Need to **implement differently**, addressing key bottlenecks, to achieve and demonstrate results from doubled direct RSSH-PPR investments (challenge of BAU)
- **Some CCMs require more systematic and sustained engagement** with public sector health system and related governance bodies to ensure robust planning and coordination of investments mapped to national strategies.
- Further support required for **RSSH-PPR prioritization and integration** across funding sources.
- **However, efficient approaches to systems strengthening are a structural challenge facing all funders** (domestic, bilateral, multilateral), with no best-case model to follow.

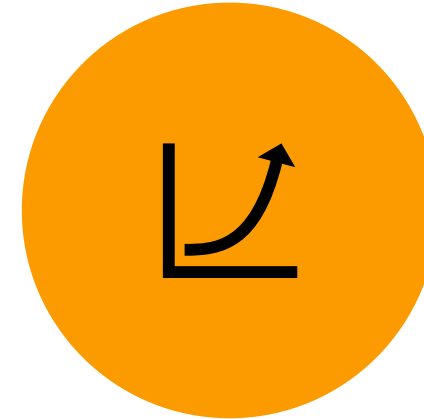
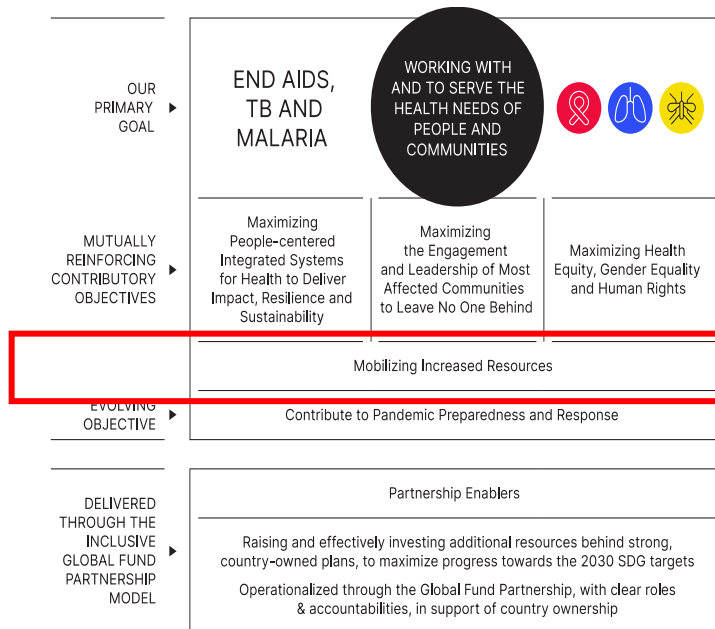
Actions for Secretariat and Partnership

Secretariat:

- **Bold prioritization** with intensified implementation support and M&O with full-set of indicators in select countries where RSSH-PPR invests.
- Targeted expansion of **RSSH-PPR TA through CMLI**, as well as coordination with partner TA set asides.
- Focused engagement and tracking to improve **implementation arrangements** (e.g., NPHI, lab, Community Health and HR Directorates); **investments in national plans; national coordination mechanisms**.
- **Strengthening CCM visibility of and alignment with national health governance platforms** (RSSH, PPR) - via CCM Evolution and beyond.
- Grant management action requiring **workplan-level coordination between GF and PF investments** to be **closely tracked** to maximize synergies.

Global Fund-GAVI: workstream launched on **enhancing coordination** on RSSH investments (incl. metrics) – as part of wider GF-GAVI collaboration.

Larger partnership considerations: Welcome suggestions for strengthening RSSH-PPR implementation for GC7 and C19RM, and to best position Global Fund going into the 8th Replenishment.



Health Finance

This section highlights elements of health finance levers – however, as a mutually reinforcing objective, core inputs & results are, by definition, integrated across HTM

Macro challenges likely to affect financing for health, creating challenges for domestic financing for health and national responses during GC7 and beyond



Rising debt distress

Fiscal deficits and debt distress likely to affect financing of health systems



Surging food insecurity and prices

Increasing food insecurity and inflation presents a risk to populations affected by HIV, TB and malaria



Revisions to expected growth

Majority of domestic monies for health has historically been driven by **economic growth, which is stalling or downgraded in vast majority of LMICs**

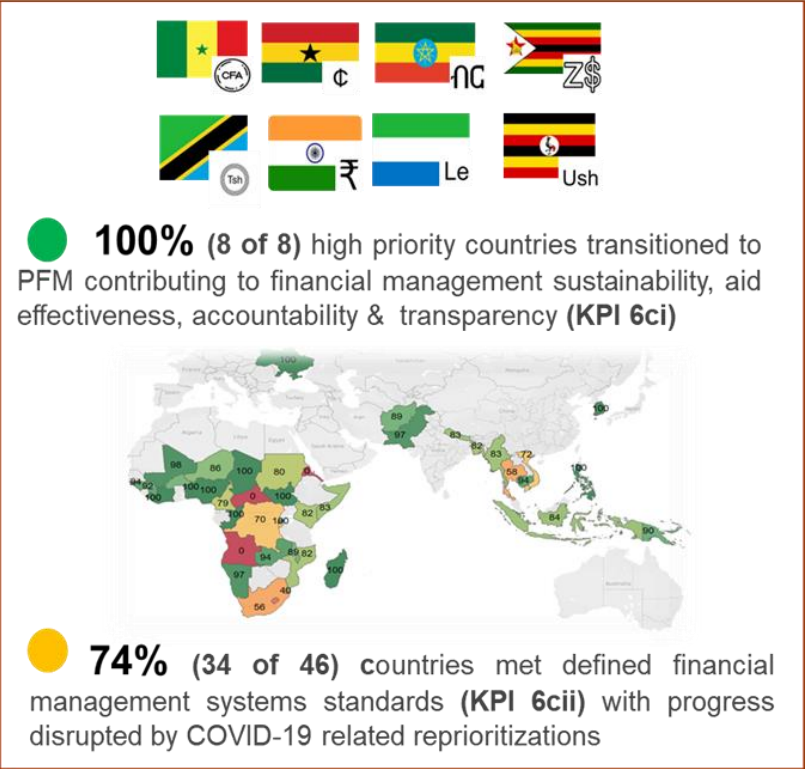


Reduction in government spend

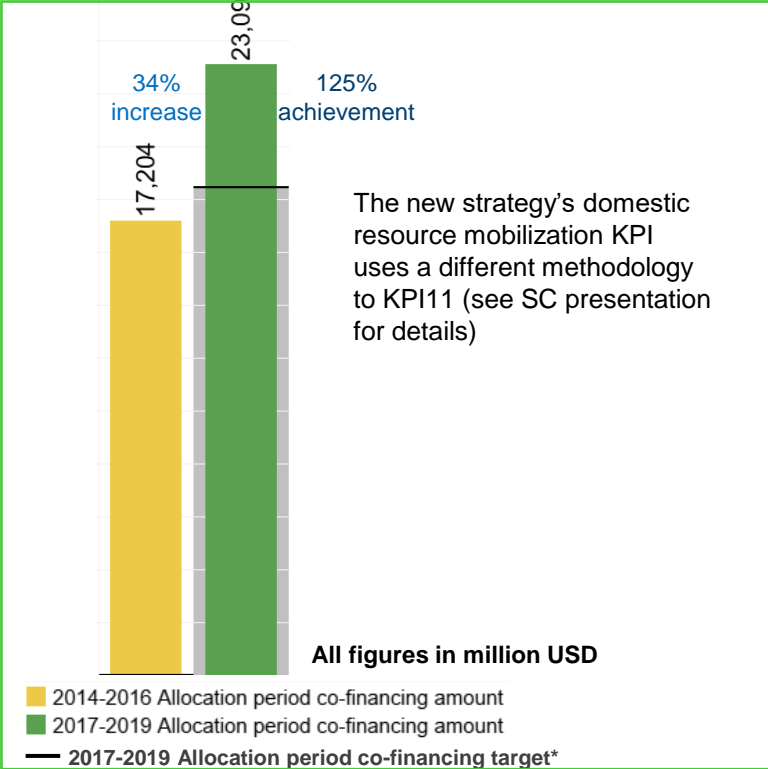
According to the World Bank, “...**110 countries will not get back to the average pre-COVID growth path in their pc GGE of countries in their income group even by 2027** and 41 countries out of these will see their spending capacity in 2027 contract as compared to pre covid” (Sep 2022 Report)

Extrinsic pressures expected to impact KPI performance, with work progressing on PFM, work remaining in human rights, and resetting KPIs for domestic funding

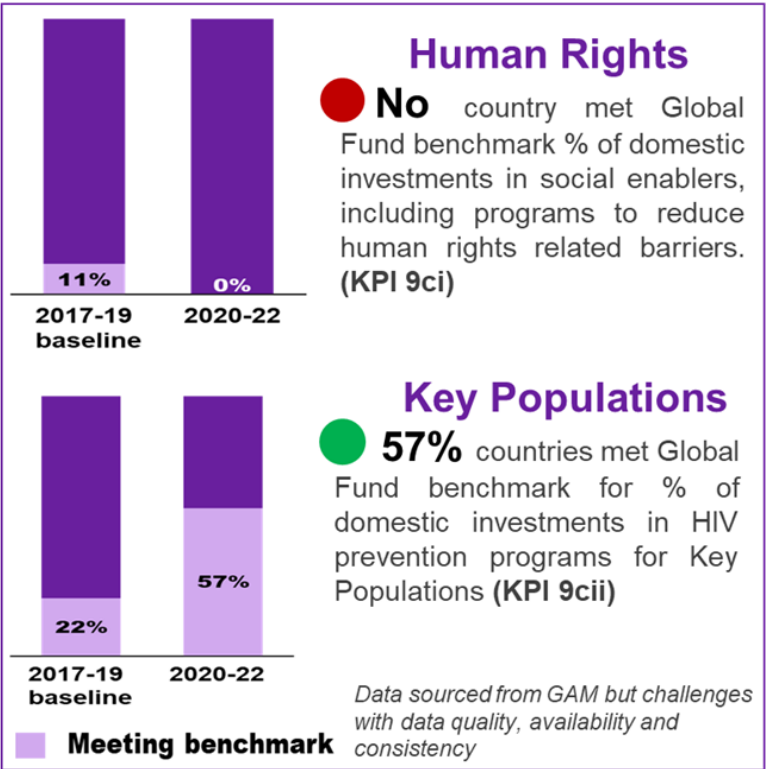
Public Financial Management (PFM)



Domestic Resource Mobilization



Domestic Funding- Human Rights, KP



Risk Name	Residual Risk	Risk Appetite	Target Risk	Target Risk Timeframe	Direction of Travel	Status to target risk timeframe
Accounting & Financial Reporting by Countries	High	High	Moderate	Dec 2023	Decreasing ↓	On Track
Future Funding – Domestic Health Financing	High	N/A	N/A	N/A	Increasing ↑	N/A

Supporting countries throughout GC7 to strengthen financial sustainability and improve health outcomes will require a multipronged approach



Co-financing and mobilizing domestic financing

Advocacy efforts (including national dialogues)

Enhanced focus on efficiency

Technical support and country engagement

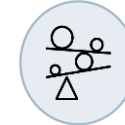
Leveraging partnerships, including with other entities prioritizing financial sustainability

Domestic financing and financial sustainability risks in grant-making processes

Blended Finance / joint investments and Debt2Health



More programmatic impact



Progress towards UHC and RSSH



A case to bolster donor support



Country ownership and aid independence

To strengthen outcomes, the Secretariat worked to align co-financing requirements to the fiscal context facing countries and updated the KPI to ensure performance insight

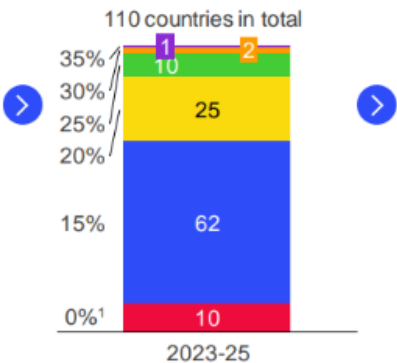
In GC7, with GAC, the Secretariat used a data-driven approach to determine co-financing potential

In the current context, we saw that direct application of the STC policy would not be realistic for many countries.

- ! Ambitious strategy committing us to greater investment
- ! Unprecedented fiscal pressure faced by countries
- ! Constrained allocations, with significantly increased cost of commodities and essential services

We modelled countries' fiscal space to evaluate their capacity to increase domestic financing and used this to set co-financing expectations in allocation letters.

A portion of grant funding is conditional on meeting co-financing requirements
Proposed % of allocation tied to co-financing across the portfolio (# of countries) shown below



As a result, we are requiring approximately \$1bn of additional co-financing from countries in GC7 above compared to a GC5 → change in realization of

For countries with significant fiscal challenges and potentially unsustainable trends in co-

KPI R1a (2023-28 Strategy) is more aligned to the policy than KPI11

- KPI R1a asks how much co-financing was realized in the previous allocation cycle across the portfolio as a % of **what countries committed**, not the minimum requirement expected by the policy. This is a more stretching indicator.

$$= \sum \frac{\text{co-financing estimated across all countries}}{\text{commitments made by all countries}}$$

- We will also **shift the focus on acceptable data** sources to: improved **commitment letters**, including clear statements on past **budget execution** and the current year's budget allocation; **verification** by LFA and/or HF specialists, in line with the STC policy.
- Both KPI11 and KPI R1a suffer from a significant lag before the full portfolio is reported. This is because we do not assess retrospective co-financing performance by a country until they apply for funding in the following allocation cycle.
- To help compensate for this, KPI R1b, which will be reported alongside KPI R1a, will report on progress made by Global Fund Secretariat and partners in implementing co-financing risk mitigation steps. The forward-looking nature of co-financing risk assessment means that this KPI will provide an insight into future performance of KPI R1a.

This approach is designed to support realistic and strategic co-financing targets, aligned with providing the Global Fund with the leverage to support better programmatic outcomes

THE GLOBAL FUND

1. Total number includes 1 waiver, 8 exemptions and one country applying a payments for results modality without a specific % of allocation tie

Excerpts from the Co-Financing Presentation

Preliminary analysis of GC7 demonstrates more rigor, consistency and quality of co-financing commitments

Early insights from GC7 on co-financing outcomes

As of 23 October, over 15 countries have come through GAC review for GC7

Country	Components	Status of GC6 backward-looking compliance	Status of GC7 forward-looking compliance
Country AA	HIV, TB	Conditional compliance (pending submission of further budget reports)	Conditional compliance (pending finalization of Commitment Letter)
Country AB	Malaria	Waiver	Conditional compliance (pending finalization of Commitment Letter)
Country AC	Malaria	Complied	Conditional compliance (pending finalization of Commitment Letter)
Country AD	HIV, TB	Complied	Conditional compliance (pending finalization of Commitment Letter)
Country BA	HIV, TB, Malaria	Complied	Conditional compliance (pending finalization of Commitment Letter)
Country BB	HIV, TB	Complied	Complied
Country BC	HIV, TB, Malaria	Exempt given Non-CCM status	Exempt given Non-CCM status
Country CA	TB	Complied	Complied
Country CB	Malaria, RSSH	Waiver	Conditional compliance (pending finalization of Commitment Letter)
Country DA ¹	HIV, TB, Malaria	Complied	Complied
Country DB ¹	HIV	Complied	Complied
Country DC ¹	HIV, TB, Malaria, RSSH	Complied	Complied
Country EA ¹	Malaria	Waiver	Complied
Country EB ¹	HIV, Malaria	Waiver	Conditional compliance (pending finalization of Commitment Letter)
Country EC ¹	HIV	Conditional compliance (pending submission of further budget reports)	Conditional compliance (pending finalization of Commitment Letter)
Country ED ¹	HIV, TB	Conditional compliance (pending submission of further budget reports)	Conditional compliance (pending finalization of Commitment Letter)
Country EE ¹	Malaria	Conditional compliance (pending submission of further budget reports)	Conditional compliance (pending finalization of Commitment Letter)

Note: One further country has also already been waived for GC6 backward-looking and GC7 forward-looking requirements; 1. GAC Recommended, but not Board approved yet

THE GLOBAL FUND

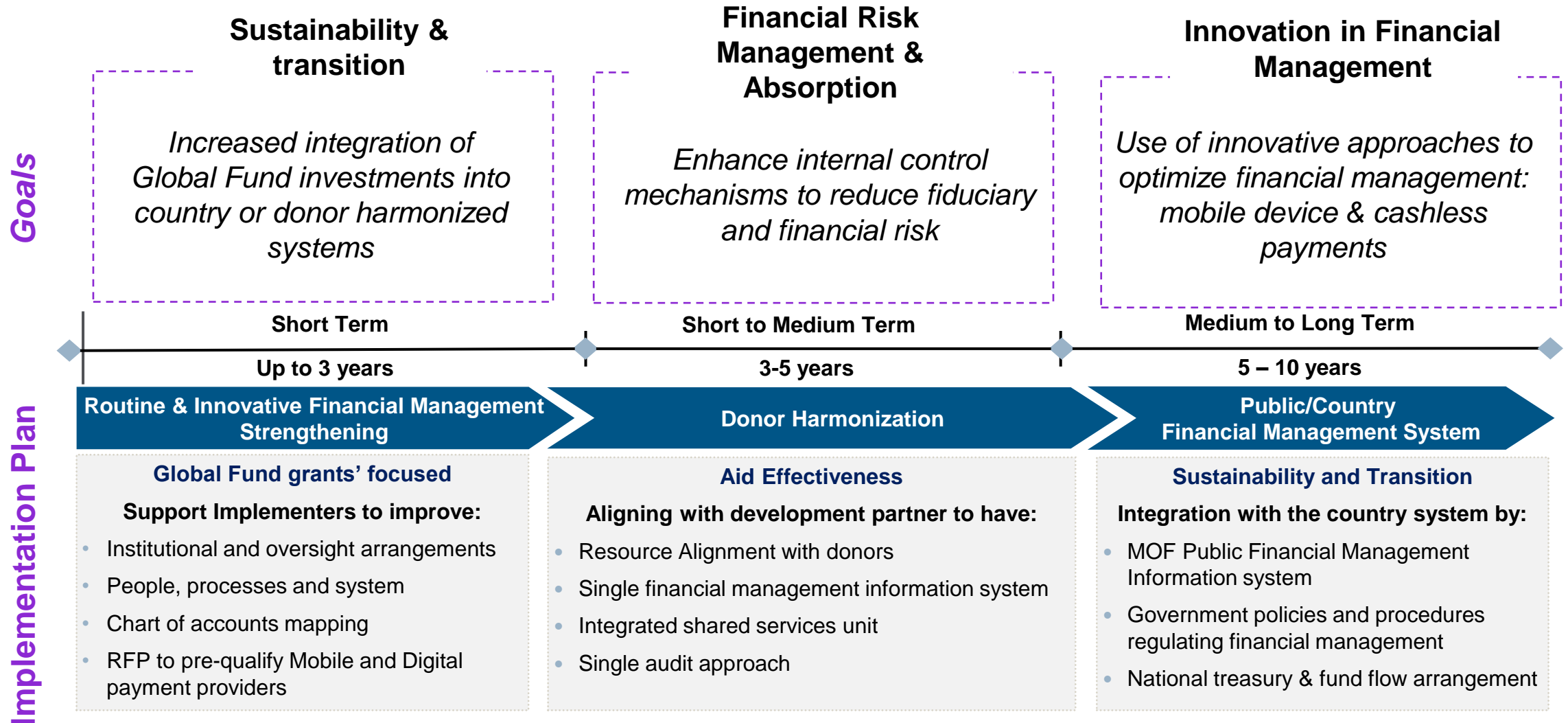
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Facilitated by operational improvements

- Consistent approach to assessing compliance and data requirements
- Mandatory Commitment Letter for GC7 requiring all countries to include financial and programmatic commitments
- More support for health financing data governance, and tracking programmatic commitments and risk

In co-financing, early signals as of October 2023 that the GC7 potential was well targeted

Public Financial Management (PFM) strengthening efforts underway



Achievements and focus of ongoing efforts demonstrate growing opportunity in PFM

By the Numbers | Achievements to Date

- ✓ **22%*** increase in budget absorption in priority countries (from 2016 - 2020)
- ✓ **52** countries have undergone resource alignment for HIV funding, advancing strategic alignment & aid effectiveness with PEPFAR
- ✓ **34** countries (or 74% targeted countries) have completed 80+% of action items for financial management capacity building (as of EOY 2022)
- ✓ **14** Mobile money pilots started incl. 4 end-to-end deployments and
- ✓ **44** countries are covered for cashless payments by pre-qualified providers (RFP)
- ✓ **8**** countries (or 100% targeted countries) piloting donor-harmonized / PFM systems for GF grants

* There has been a decline in absorption in 2020 – 22 driven by C19RM

** 6 PFM countries (of which 4 from HI Africa II, 1 each from HI Asia & HI Africa I region) & 2 donor-harmonization

*** Focus on 31 high impact and core countries.

Focus of Ongoing Efforts

Public Financial Management Continued efforts to ensure strengthening and uptake of PFM focus areas built into wider Global Fund grant-making and implementation processes***

Routine Financial Management Continued pre-qualification of service providers; Revamp of routine financial management to align it with new strategy with focus on communities and organizations supporting them for last mile delivery

Digital payments Proactive review and mitigation of risks prior to implementation; PR engagement to ensure successful deployment and build local accountability

As we move through GC7 and beyond, leveraging new tools – including blended finance – to raise additional, and influence existing, resources to support HTM + RSSH objectives

Combining GF grants with investments from multilateral development banks /finance institutions to **encourages new financing or influence existing financing in support of HTM and RSSH objectives**. These can complement GF grants to achieve **strategic**, **programmatic**, and **operational** priorities:

- Strategic**
 - ▶ Incentivizing countries to commit domestic resources towards HTM
 - ▶ Aligning our work with partners and countries
 - ▶ Strengthening sustainability via on budget spend
 - ▶ Enabling the Global Fund to interact with other sources of funding (including climate financing), which is heavily funded by MDBs
- Programmatic**
 - ▶ Enhancing HTM responses by embedding within broader health systems and supporting critical health reforms
 - ▶ Driving resources and leveraging partner's comparative advantage for key pieces of our Strategy, including RSSH, PPR, and PHC
- Operational**
 - ▶ Leveraging partners' country presence and fiduciary and operational expertise
 - ▶ Engaging at the sub-national level.
 - ▶ Strengthening national institutions and public financial management

Strengthening impact – a few examples

India and Indonesia Loan Buy Downs incentivized additional domestic financing in two TB contexts, by encouraging and supporting Ministries of Finance to borrow for the health sector and TB control efforts and undertake critical health reforms.

Pakistan: A joint investment designed to promote TB notification and case finding as well as strengthen PHC / UHC

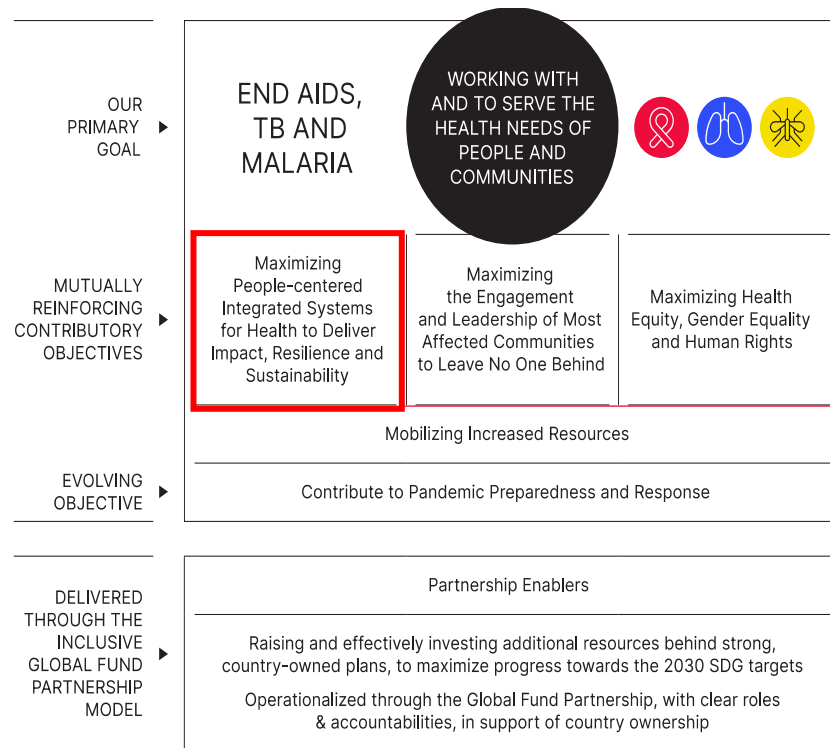
Additional Transactions to support migrant populations to access ART through social health insurance in one UMI country and embed malaria community level interventions in national strategic purchasing mechanisms

We are making major strides across health financing levers to catalyze resources, and can go further with a strong partnership

We are committed to sustainability – in the current micro fiscal situation / context with pressures on budget, we are laying stronger foundations to sustain the responses and continue to deliver.

Where the **broader partnership can be a game changer:**

- 1 Keeping health prioritized among heads of state and African Union
- 2 Ensuring pragmatic operationalization of Co-Financing in the post-COVID context; credible and realistic partnership with countries
- 3 Innovating with MDBs to leverage and increase concessional financing and crowd-in resources to get us to SDG3
- 4 Working together with partners and governments on financial sustainability planning country-by-country



NextGen Market Shaping & PPM/Wambo.org

*This section highlights elements of the NextGen Market Shaping approach – however, as a part of a mutually reinforcing objective, **core inputs & results are, by definition, integrated across HTM***

Recap: NextGen Market Shaping

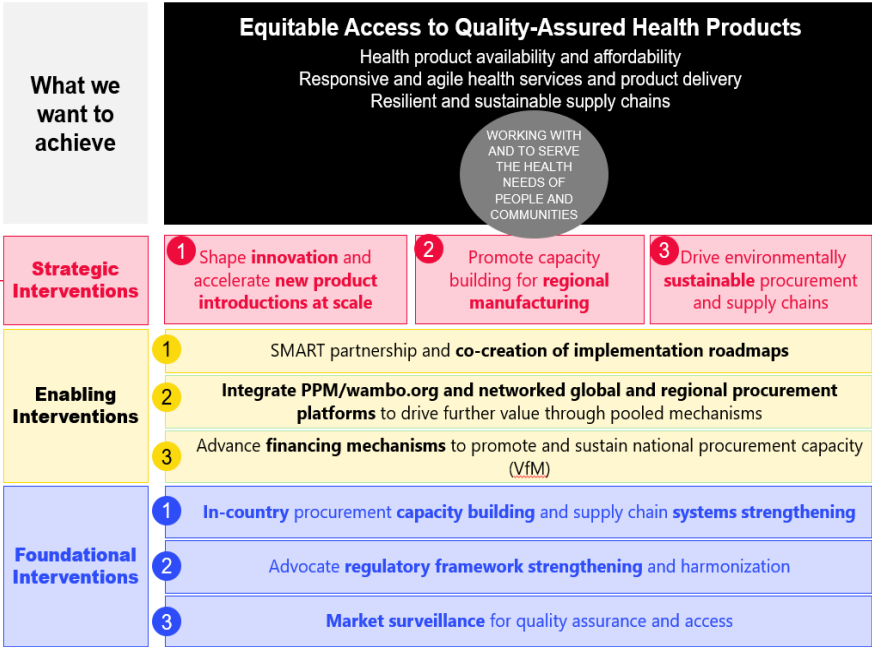
Aims and Focus of Work

1. NextGen Market Shaping approach aims to drive equitable access to quality assured health products and innovation, with a focus on:
- a. Accelerating scaled introduction of new tools and innovations for better outcomes and impact

b. Promoting regional supply base diversification for improved supply security

c. Supporting sustainable procurement and supply chains to ensure responsiveness and efficiency gains
2. Builds on critical foundational interventions for robust and resilient national and community health systems: in-country capacity building, regulatory framework strengthening, and market surveillance.
3. Approach aims to serve as a collaboration platform to harness partnership-wide engagement to advance on prioritized efforts, focusing on complementarity and accelerating progress.
4. Approach draws lessons from the COVID-19 pandemic, with increasing focus on the impacts of climate change.
5. Particular focus on introduction of new products, and when there is an imbalance and/or misalignment between demand and supply or geographic footprint that could result in limited availability, long lead-times, higher costs.

NextGen Market Shaping Framework



NextGen Market Shaping efforts underpin delivery of a critical component of universal health coverage:
Equitable access to life-saving medicines and health tools

Improved access to quality assured health products for Grant Cycle 7+

Progress to Date

1. Established **Revolving Facility** to accelerate health product introductions at scale. Secured supply capacity at lower access prices for accelerated introduction of CFP Dual AI nets (>45% more effective) to address biological threats to malaria.
2. With partners, achieved **lower sustainable pricing** contributing to more equitable access to affordable quality assured health products:
 - a) lower costs for first-line ARV treatment TLD to below \$45 per person per year; and
 - b) breakthrough pricing reduction on TB treatment (incl. 55% reduction in cost of Bedaquilin for MDR-TB) and diagnostics (20% price reduction for GeneXpert TB cartridges), as well as improved care for equipment service and maintenance.
3. Accelerating **capacity building for regional manufacturing** & procurement of rapid diagnostics. ERP-D call for proposals launched for HIV RDTs manufactured in Africa.
4. On track to finalize the **NextGen Market Shaping Strategic Initiative** investment plan for approval by GAC by end 2023.
5. Undertaking **review and update of existing QA Policies**. Two QA Policies recommended by SC for Board decision.

Partner Engagement

1. **Leveraging Global Fund-Unitaid Task Force** for wider collaboration to accelerate **HTM innovation and product introduction**.
2. Ongoing engagement through disease situation rooms with technical partners and donors to **prioritize and align market shaping approach** for accelerated health product introductions.
3. Ongoing dialogue with WHO and PEPFAR to drive **accelerated and streamlined regulatory pathways** to enable regional manufacturing capacity building and procurement and new product introductions.
4. Developing interventions for **capacity building for regional manufacturing and procurement** with key partners including USG, GIZ, African Constituency Bureau and several regional economic communities in Africa.
5. Developing aligned approach to **strengthen country capacity for procurement and supply chains** focusing on digitization, data interoperability, last mile distribution, including assessing opportunities for environmentally sustainable solutions.

AI = active ingredient; ARV = anti-retro viral; CFP: chlorfenapyr; ERP-D: Expert Review Panel – Diagnostics; GAC = Grant Approvals Committee; QA = quality assurance; RDTs = rapid diagnostic tests; SC = Strategy Committee; TLD: Tenofovir, Lamivudine

See [GF/SC22/04 Update on NextGen Market Shaping](#) for further information.

Looking ahead

Biggest outstanding challenges and actions

Outstanding Challenges

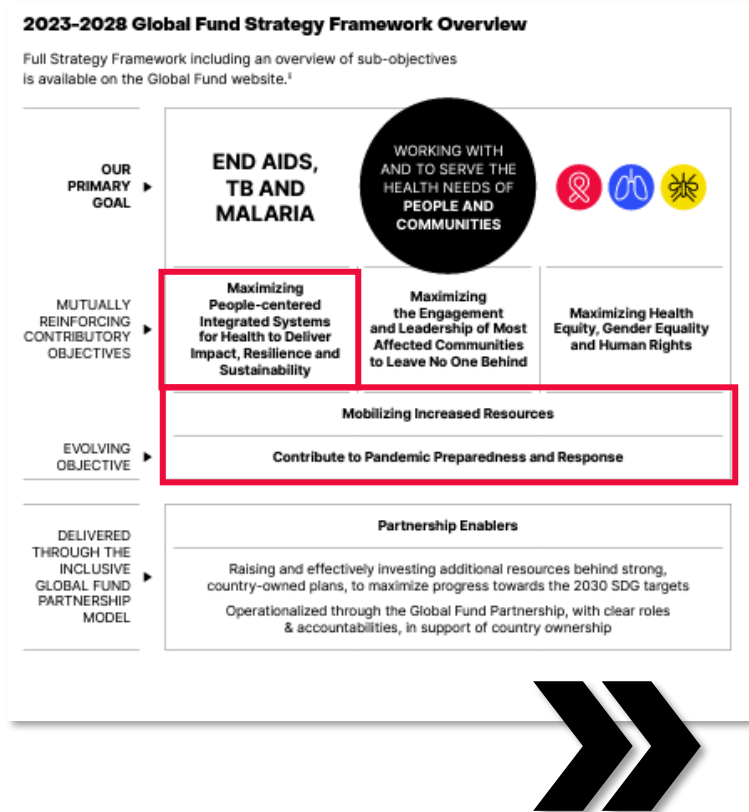
1. NextGen implementation faces headwinds from geopolitical uncertainties and macro/micro economic challenges affecting global supply chains, including inflationary trends and commodity pricing fluctuation.
2. Competing priorities to be addressed with constrained resources available for all NextGen priorities for GC7, forcing countries to make difficult trade-off decisions, e.g., in malaria control.
3. Change management needed at the country-, Secretariat- and governance-levels for new and scaled interventions, such as the Revolving Facility, new health product introductions and new policies which require time and technical support for implementation.
4. Need to manage stakeholder expectations in view of the complexity of work required across the partner ecosystem and countries.

Actions for Key Stakeholders

- **Countries:** Continue the close collaboration with and coordination through Global Fund Country Teams to optimize GC7 implementation, focusing on innovation and coverage.
- **Secretariat:** Continue to leverage NextGen Market Shaping approach to close the gap to reaching 2030 goals, including contributing to PPPR, the climate and health agenda and FGHI considerations.
- **Larger partnership considerations:** Continued engagement to align on shared priorities, by focusing on fewer and complementary interventions to maximize the outcome and impact.

Questions for Board discussion on RSSH, PPR, C19RM, Health Financing and Supply Operations

Proposed questions for discussion & solutioning



- 1 Do you agree with the strengths and challenges in supporting countries build resilient and sustainable systems for health as described here?
- 2 Do you agree with the macro-economic factors that are and are expected to continue to constrain domestic financing for health?
- 3 Are there observations on the preparations and/or preliminary findings from GC7 from your constituencies *not* captured here?
- 4 How else can we leverage our partnership to more effectively support quality country implementation of the largest scale-up of RSSH & PPR funding in Global Fund history?

Delivering on our Strategy



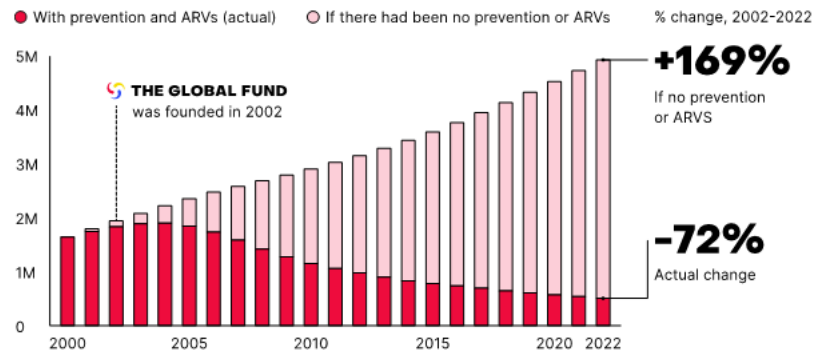
Looking Ahead

Global Fund Model has delivered unprecedented success since its inception

58 million lives saved through the Global Fund Partnership to date, vast numbers of infections averted

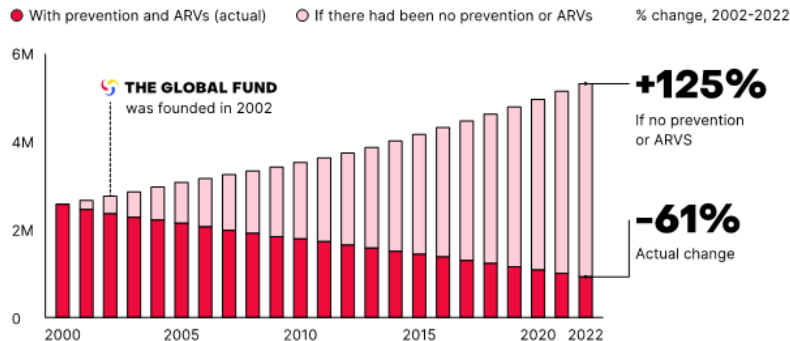
Trends in AIDS-related deaths

In countries where the Global Fund invests



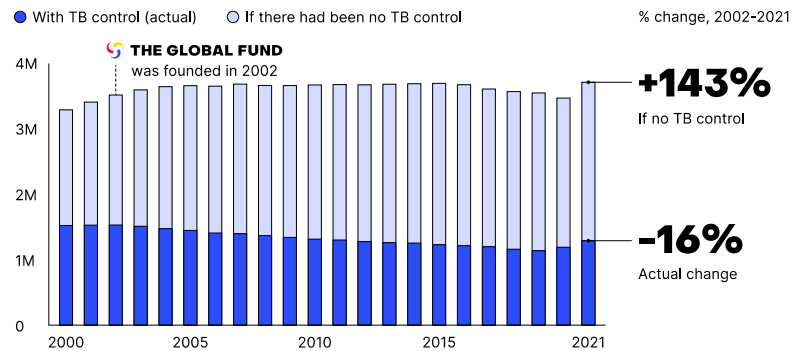
Trends in new HIV infections

In countries where the Global Fund invests



Trends in TB deaths (excluding HIV-positive)*

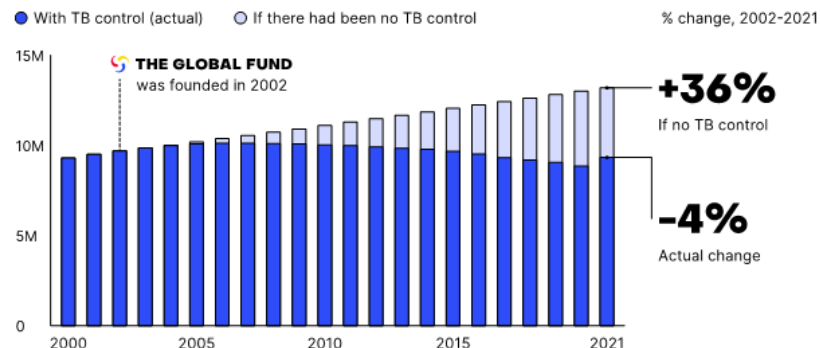
In countries where the Global Fund invests



*While major control efforts for malaria and HIV began with the launch of the Millennium Development Goals in 2000, TB control efforts began much earlier. The counterfactual and actual results therefore diverged from each other much earlier, making this graph look considerably different than its HIV and malaria counterparts.

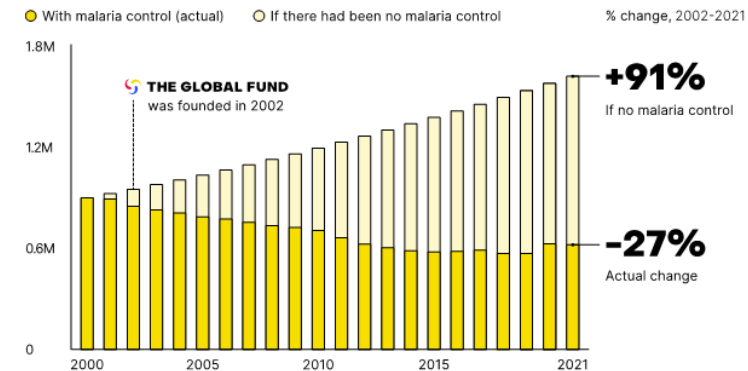
Trends in new TB cases (all forms)

In countries where the Global Fund invests



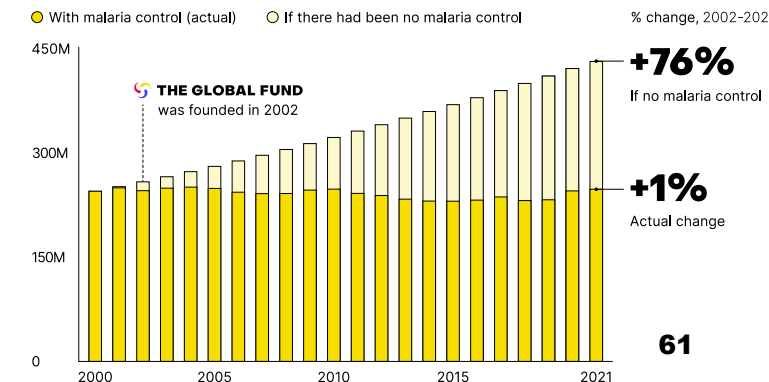
Trends in malaria deaths

In countries where the Global Fund invests



Trends in malaria cases

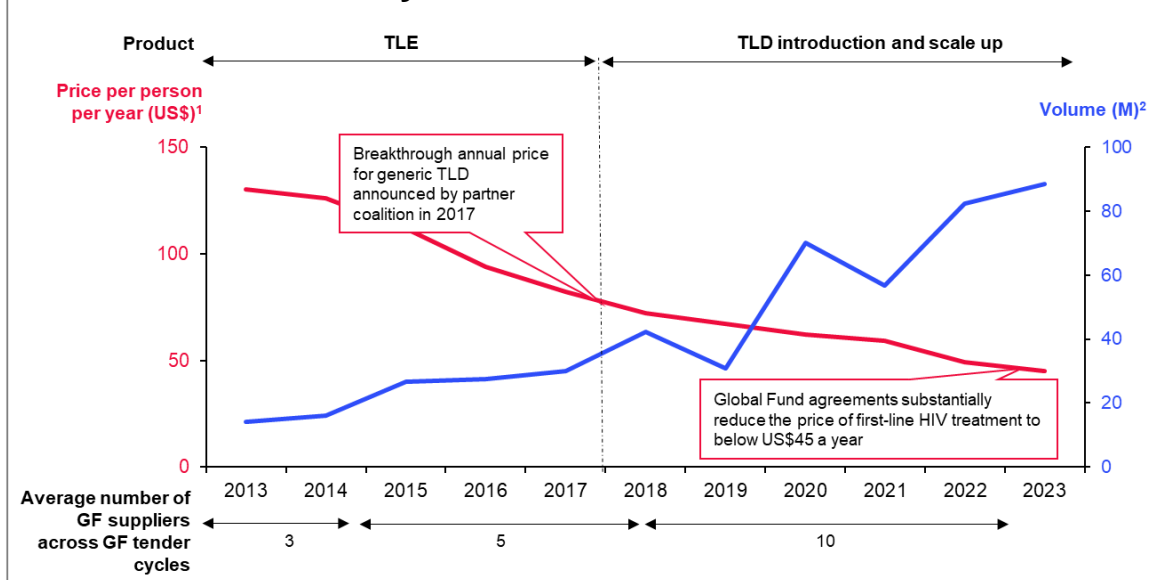
In countries where the Global Fund invests






Malaria burden estimates and estimation of "no malaria control" from WHO World Malaria Report 2022.

Efficiencies and market health achieved have driven unprecedented scale in people reached

Illustrative case study: Market evolution for first-line HIV treatments



Recent market shaping successes include:

-  Price reductions for first-line ARV treatment TLD to <US\$45 per person per year; blood-based HIV self-tests now available at US\$1;
-  Supply capacity at sustainable access prices for accelerated introduction of CFP Dual AI nets (>45% more effective) to address biological threats to malaria; and
-  55% price reduction for Bedaquiline for MDR-TB; 20% price reduction for GeneXpert TB cartridges; 30% price reduction for 3HP.

Market shaping achievements across the Global Fund partnership have been a critical contributor to UHC efforts in the countries in which Global Fund works

We have built a unique and effective model over the last 20 years. The work is not over.



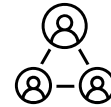
Country-driven response, with independent technical review and robust financial assurance, grounded by a predictable, allocation-based model with catalytic investments to incentivize change and leverage private sector in critical areas



Community and civil society engagement and leadership of response - critical for quality and reach of programs; core focus on equity, human rights, gender equality, most marginalized and vulnerable – critical for progress and building resilience in challenging global context, and leaving no one behind



Leader in driving down costs and increasing access to essential medicines with the most extensive pooled sourcing, market shaping and supply chain strengthening capabilities in health



Strengthening systems for health as the largest investor in building resilience of people-centered, integrated RSSH-PPR systems, incl. labs, supply chain, community systems, surveillance, data systems, HRH



Demonstrating agility with a history of impact, strong implementation, ability to learn and adapt to context, and emergency response across pandemic, climate, political and natural disasters with the Emergency Fund and C19RM. Unprecedented scale of implementation, ability to scale innovations, transparency



Cost-efficient vehicle, without expense of in-country presence, and suite of health financing tools to maximize VfM



Inclusive multi-stakeholder partnership model – at country and Board levels

Looking ahead together at GC7 and beyond

Early indications show GC7 **poised to sustain gains and progress in key areas** with:

- ✓ Prioritized, strategically-focused HTM programs in support of the Strategy's aims
- ✓ Increased number of people to be reached with prevention, testing and treatment services through commodity price reductions and healthy markets
- ✓ Strengthened community engagement and a central focus on human rights, health equity and gender equality proving to be critical in extending the reach, resilience and quality of programs in the challenging global context
- ✓ Enhanced, holistic RSSH-PPR investments positioned to build system resilience in tackling HTM/ wider pandemic threats

However, the Global Fund and its partnership face an **impending threat to achievement of its mission** as:

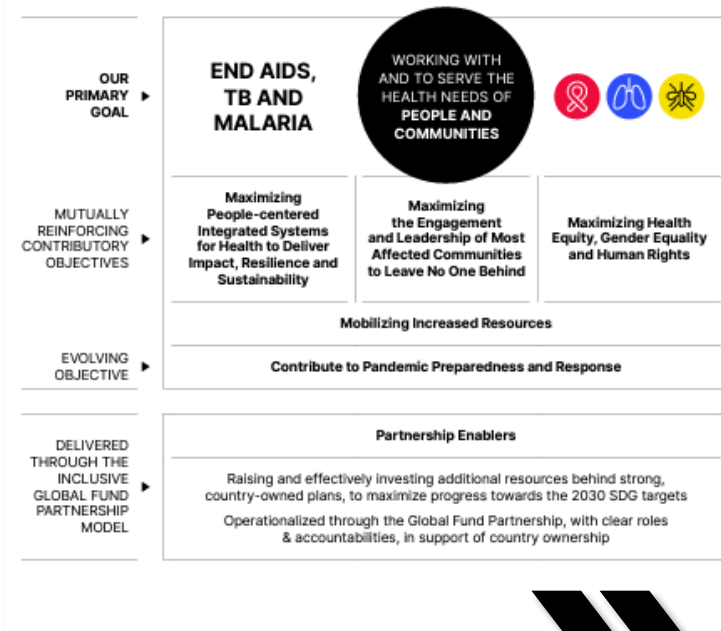
- Overall funding for HTM significantly below levels needed to achieve SDGs, increasing discrimination and closing civic space, fiscal constraints limiting implementer government health spending, multi-crises across human rights, climate and conflict, and global and donor priorities shifting away from HTM and health creates severe risk of disease resurgence.
- Without sustained, increased partnership attention and resources, there is a real risk of gains being lost and reversed, reduced treatment scale-up, increases in infections (and therefore the number of people needing treatment), and expanded drug resistance limiting the efficacy of existing tools.

*This is the time for **collective action to deliver our mission**, continue to evolve to address both old and new threats, and seize the opportunity to deliver results together.*

Questions for Board discussion

2023-2028 Global Fund Strategy Framework Overview

Full Strategy Framework including an overview of sub-objectives is available on the Global Fund website.¹



- 1 How should the Global Fund partnership respond to the unprecedented threats to the realization of the SDG 3.3 targets for HIV, TB and malaria. For example:
 - How can we address the need for increased funding to achieve health targets across diseases and systems for health in a context of highly constrained domestic funding and potentially inconsistent donor attention to HIV, TB and malaria?
 - In which areas can the Global Fund partnership most effectively contribute and respond to the multi-crisis of climate change, conflict and the rising anti-human rights movement and restrictions on communities/civil society?
- 2 What specific challenges are within the Global Fund Secretariat or partnership's ability to address and what challenges extend beyond the Global Fund's level of control?
- 3 How can we reaffirm our partnership's values, mission and impactful ways of working that has saved 59m lives over 20 years?