

Thirty-Second Board Meeting Update on Strategy Development

**The Global Fund Board Retreat
The Global Fund Thirty-Second Board Meeting**

**GF/B32/21
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Board Information

UPDATE ON STRATEGY DEVELOPMENT

Purpose:

1. The purpose of this document is to provide the Board with an update on the Global Fund 2017-2021 Strategy development process.

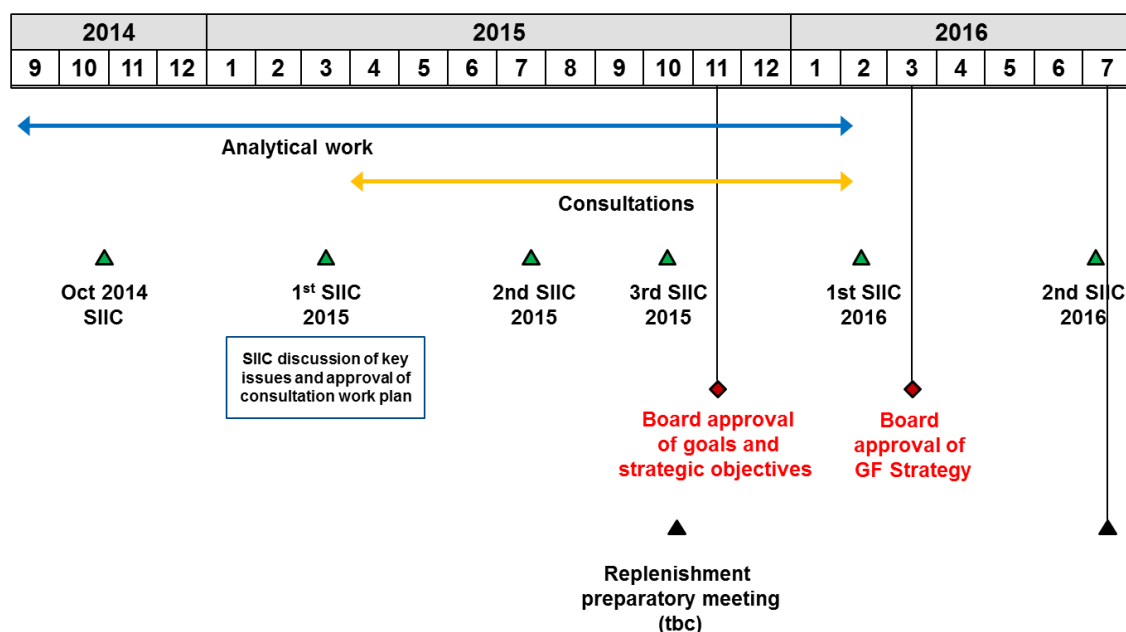
A Changing Landscape

- 1 Over its first twelve years of work, the Global Fund has contributed to global scale up of effective public health interventions for HIV/AIDS, TB and malaria. We have invested over US\$ 25 billion in evidence-based interventions for the three diseases, delivered lifesaving commodities, and worked to build health systems while implementing an innovative global health partnership model between countries, civil society, international bodies, the private sector, affected communities and the Fund. Throughout, we have focused on saving lives and reducing transmission of the three diseases.
- 2 The global epidemiological and economic landscape has changed significantly since our founding in 2002, in part due to the Global Fund's efforts. The most exciting change is perhaps the growth of domestic funding for health, which has now eclipsed Official Development Assistance in many countries and represents a critical driver of future global health progress. This growth is driven by expanding economic growth and the movement of previously low-income countries into middle-income status. However, this growth is not always equitable or sufficient to fully fund health interventions. This is particularly true because 70 percent of the world's poor now live in middle-income countries, and the disease burdens for HIV/AIDS, TB and malaria are also increasingly in middle-income countries.
- 3 Some countries, particularly low-income conflict-afflicted states, have been left behind this progress. Most of these are countries emerging from conflict with relatively weak governments and capacity. These countries will need more than financial resources to accelerate their response to the three diseases.
- 4 Over the last decade, civil society and NGOs have played a critical and growing role in global health, working to deliver health services in fragile states, reaching key populations, including MSM, sex workers and IDUs, and providing global advocacy for health. While many countries of the world are moving towards more open governance and embrace the important role of civil society, the space accorded to civil society is narrowing in some places. Combined with our funding model, which properly targets investments toward high burden and low income countries, this trend may challenge the Fund's and the world's ability to reach key populations affected by the three diseases.
- 5 Finally, after a decade of growth, financial crises have slowed international funding for health. There are now competing and justified demands for funding for other critical global health issues, from child survival to Ebola to universal health care. Similarly, the Post-2015 Development Agenda will be significantly more diverse than the MDGs, with health playing an important but likely less central role. Concurrently, emerging powers are choosing how to engage with Africa and in global health. Some are choosing to make contributions or invest in health and the Global Fund. More are implementing South-South collaborations for health or investing in non-health development activities including power generation and infrastructure.
- 6 These dynamics have implications for the Global Fund's continued strategic and operational effectiveness, and by extension, its ability to maximize impact. The changing landscape raises key questions for how the Global Fund supports fragile states, funds key populations and harm reduction services, and supports domestic financing for health and country transitions away from Global Fund financing. More broadly these changes raise the question of how to make the Global Fund fit for purpose for the post-2015 world.

2017-2021 Global Fund Strategy Development Process

- 7 The next Global Fund Strategy will seek to answer these questions and build upon the recent reforms to further strengthen our operations and increase the impact of our investments. Our next replenishment is planned for mid-2016, necessitating a strategy process that starts in early 2015 and continues to final approval of the 2017-2021 Strategy at the March 2016 Board meeting (see Figure 1). The March 2015 Board Meeting will be used to discuss critical issues and approve a workplan for global consultations on the Strategy. The November 2015 Board Meeting will be used to consider and approve a Strategic Framework which will lay out the main components of the next Strategy at a high level, and prepare decisions to finalize the Strategy in March 2016.

Figure 1. Global Fund Strategy Development Timeline



- 8 The 2017-2021 Strategy will be based upon a range of inputs which will be summarized and presented to the Board for debate and decision. The Development Continuum Working Group, launched in October 2014, will provide early inputs to the Secretariat on key aspects of the changing development landscape, implications for the Global Fund, and recommendations for consideration in the next Strategy. This Working Group will focus on questions of financial and programmatic sustainability, key populations, and engagement in fragile states and challenging operating environments. The Development Continuum Working Group will report findings at the March 2015 Board meeting.
- 9 The Strategic Review will be completed over 2015, and provide an independent mid-point evaluation of the implementation of the 2012-2016 Global Fund Strategy and the last decade of Global Fund impact. The review will assess progress in the key thematic areas of the Strategy, identify challenges and gaps in implementation for future action, and provide input and lessons for the development of the next Strategy. We have accelerated the Strategic Review process to ensure that preliminary findings from the review can be made available in mid-2015 to benefit and shape the 2017-2021 Strategy.
- 10 The Equitable Access Initiative (EAI) will also provide input into the Global Fund Strategy upon its final report in early 2016. The EAI is an Initiative convened by GAVI, The World Bank, WHO, UNDP, UNICEF, UNITAID, UNAIDS and the Global Fund to develop a new

framework with country partners to assess and classify countries; not only by Gross National Income or Product, but in terms of key components of equitable access to health. Such a framework could be considered by the governing bodies of the Conveners; including the Board of the Global Fund, as part of our decision-making process on eligibility, transitions, and for the next Strategy.

- 11 Input from our stakeholders to contribute to the development of the next Strategy will be garnered during 2015, and may include a series of inclusive global and regional consultations, likely under the rubric of the Partnership Forum, as well as consultation calls and other interactive mechanisms to ensure inclusivity of all stakeholders.. Currently, it is envisaged to arrange approximately four regional Strategy consultation meetings between March and August 2015. These would be complemented by smaller convenings of communities and experts for additional input. We will be soliciting input from the Global Fund Secretariat so that the next Strategy is partially designed and fully owned by our staff. We are also considering hosting a global online forum to share information about the Strategy and solicit input from individuals and communities that may not be able to join the regional meetings. Our goal is an inclusive and consultative Strategy process that delivers an ambitious, clear and measurable plan for the Global Fund.

Key Questions for Consideration

- 12 The Strategy discussion at the Board retreat will provide an opportunity to evaluate the changing landscape and consider “blue sky” questions including:

- What kind of Global Fund will we need in 15 years?
- How should the Global Fund evolve and adapt to the changing landscape?

- 13 The Strategy discussion will also allow breakout groups to discuss more specific questions for the next strategy, including the questions below, and to prioritize critical issues for consideration, development and action in the 2017-2021 Global Fund Strategy.

- How can the Global Fund increase the sustainability of our investments, support domestic financing of health and partner with countries as they transition from Global Fund support?
- How should the Global Fund support key populations left behind progress against HIV/AIDS, TB and malaria and engage countries where political will or financial support may be lacking?
- What instruments, tools and strategies does the Global Fund need in fragile states and challenging operating environments to make progress against the three diseases?