

# 41<sup>st</sup> Board Meeting

## Catalytic Investments for the 2020-2022 Allocation Period

GF/B41/03 – Revision 1  
15-16 May 2019, Geneva

### **Board Decision**

Purpose of the paper: This paper presents the recommendation of the Strategy Committee to the Board for approval of the catalytic investments under different funding scenarios for the 2020-2022 allocation period.

# Decision Point

Based on the rationale described below, the Strategy Committee recommends the following decision point to the Board.

## **GF/B41/DP04: Catalytic Investments for the 2020-2022 Allocation Period**

Based on the recommendation of the Strategy Committee (the “SC”), as presented in GF/B41/03 – Revision 1, the Board:

1. Acknowledges that the total amount of sources of funds for allocation for the 2020-2022 allocation period will be decided by the Board in November 2019, based on the recommendation of the Audit and Finance Committee following announced replenishment results from the 6<sup>th</sup> Replenishment;
2. Approves that the total amount of funding for catalytic investments in the 2020-2022 allocation period, as described in the Allocation Methodology approved under GF/B41/DP03, will be determined by the total amount of sources of funds for allocation for the 2020-2022 allocation period;
3. Approves catalytic investments for the 2020 – 2022 allocation period as set forth in the scenarios described below:
  - i. USD 900 million scenario: If sources of funds for allocation for the 2020 – 2022 allocation period are greater than or equal to USD 13.1 billion, USD 900 million will be made available for catalytic investments, in accordance with the priorities and associated costs set forth in Table 1 of Annex 1 of GF/B41/03 – Revision 1 (“Annex 1”);
  - ii. USD 800 million scenario: If sources of funds for allocation for the 2020 – 2022 allocation period are below USD 13.1 billion and greater than or equal to USD 12.1 billion, USD 800 million will be made available for catalytic investments, in accordance with the priorities and associated costs set forth in Table 2 of Annex 1;
  - iii. USD 600 million scenario: If sources of funds for allocation for the 2020 – 2022 allocation period are below USD 12.1 billion and greater than or equal to USD 11.1 billion, USD 600 million will be made available for catalytic investments, in accordance with the priorities and associated costs set forth in Table 3 of Annex 1;
  - iv. USD 400 million scenario: If sources of funds for allocation for the 2020 – 2022 allocation period are below USD 11.1 billion and greater than or equal to USD 10.6 billion, USD 400 million will be made available for catalytic investments, in accordance with the priorities and associated costs set forth in Table 4 of Annex 1; and
  - v. USD 200 million scenario: If sources of funds for allocation for the 2020 – 2022 allocation period are below USD 10.6 billion and greater than or equal to USD 10.1 billion, USD 200 million will be made available for catalytic investments, in accordance with the priorities and associated costs set forth in Table 5 of Annex 1.
4. Requests the Secretariat to return to the SC with a new recommendation on catalytic investments if sources of funds for allocation for the 2020 – 2022 allocation period are below USD 10.1 billion, for SC recommendation to the Board;
5. Agrees that in the event that sources of funds for allocation for the 2020-2022 allocation period are above the midpoint of the funding range specified for a scenario above, the Secretariat may recommend the Board to approve an additional total amount up to USD 100 million for catalytic investments, to be invested in the priority areas for the scenario immediately preceding the applicable scenario in the list above;

6. Requests the Secretariat to (i) implement a rigorous approval process for all catalytic investments, including strategic initiatives, by a review body with clear and transparent management of conflicts of interest to maintain the integrity of decision making, whether financial or programmatic; (ii) execute a credible, robust technical review process on the activities, mechanisms, and the requested amounts; and (iii) report regularly to the SC on all catalytic investments; and

7. Notes the Secretariat will (i) have flexibility to operationalize catalytic investments; (ii) update the SC and Board on such operationalization; (iii) have flexibility to reallocate associated costs among the approved priorities under any applicable scenario, within 10% of the approved amount of associated costs for a specific priority; and (iv) present any reallocations of associated costs exceeding 10% for a specific priority for the SC's approval.

**Budgetary Implications: Associated management costs will be covered by catalytic investments and/or operating expenses as applicable.**

# Executive Summary

## Context

The 2020-2022 allocation period marks the mid-point of the six-year Global Fund Strategy 2017-2022: Investing to End the Epidemics (the “Strategy”).<sup>1</sup> To ensure that the catalytic investments for the 2020-2022 allocation period catalyze progress towards achieving the aims of the Strategy, the Strategy Committee, technical partners and the Secretariat reviewed progress of existing catalytic priorities and considered potential new priorities. A prioritization approach endorsed by the Strategy Committee was applied to both new and existing catalytic priorities, applying strategic impact and operational criteria. Based on this review, the Strategy Committee recommends the catalytic investments presented in this paper for the 2020-2022 allocation period. As the Board is requested to approve the catalytic investments in May 2019 before the sixth replenishment, the proposed catalytic investments are further grouped under five scenarios, ranging from \$200 million to \$900 million,<sup>2</sup> based upon modelling of appropriate scale-up and paced reductions for country allocations.

## Questions this paper addresses

- A. What are the Strategy Committee-recommended catalytic investments for the 2020-2022 allocation period?
- B. How are the recommended catalytic investments grouped under different funding scenarios?

## Conclusions

- A. This paper presents the Strategy Committee-recommended catalytic investments for the 2020-2022 allocation period, based on a prioritization approach that considered both the strategic and operational aspects of delivering on the Strategy. Building on lessons learned from the 2017-2019 allocation period, catalytic investments are being recommended for Board approval in May 2019 at its 41<sup>st</sup> meeting to enable sufficient time for effective operationalization.
- B. In line with the prioritization approach, the priorities that are most strategically important and least likely to be effectively addressed in allocations are recommended for catalytic funding. Some catalytic investments from the 2017-2019 allocation period have been recommended to be discontinued, either because they will have achieved their catalytic effect or could be effectively addressed through allocations or other sources of funding in the 2020-2022 allocation period. Existing and evolved Global Fund mechanisms – from grant applications to grant implementation – will be used to improve delivery on all strategic priorities, including those funded through country allocations and those with additional catalytic investments.

## Input Sought

The Board is asked to approve the catalytic priorities and associated costs under different funding scenarios for the 2020-2022 allocation period as set forth in Annex 1.

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<sup>1</sup> GF/B35/02 – Revision 1.

<sup>2</sup> All funding amounts in this paper are denominated in U.S. dollars.

## Input Received

At three meetings across 2018 and 2019, the Strategy Committee reviewed lessons learned from the 2017-2019 allocations and catalytic investments, including a joint review by the Technical Review Panel (TRP), Technical Evaluation Reference Group (TERG) and Secretariat. At its October 2018 meeting, the Strategy Committee considered appropriate levels of scale-up and paced reductions for country allocations to determine the amount to recommend for catalytic investments based on the total sources of funds for allocation. The Committee also endorsed the prioritization approach for the Secretariat to review and prioritize all potential catalytic investments for the 2020-2022 allocation period.

## What is the need or opportunity?

1. As described in the allocation methodology recommended under GF/B41/02, from the available sources of funds for allocation, funding is set aside for catalytic investments. The aim of catalytic investments is to maximize the impact and use of available funds for priorities that cannot be adequately addressed through country allocations alone, and yet are important to ensure that the Global Fund's investments deliver on its Strategy.
2. For the 2017-2019 allocation period, catalytic investments were approved by the Board in November 2016, less than one month before country allocations were announced, which was too late to enable their timely operationalization. Drawing from the main lesson learned from the joint TRP, TERG and Secretariat review of the 2017-2019 allocation period<sup>3</sup>, the Board is requested to approve catalytic investments for the 2020-2022 allocation period six months earlier in the process. This will allow for adequate time for effective operationalization and the timely roll-out of catalytic investments. It will also better ensure that such investments are strategically and efficiently implemented, aligned with country allocation grants and geared towards maximizing impact.
3. As the Board will decide on catalytic investments before the replenishment outcome is known, it is requested to approve catalytic investments grouped in five scenarios ranging from \$200 million to \$900 million, where the applicable scenario will be dependent on the sources of funds available for allocation. These options are informed by modelling of the appropriate scale-up and paced reductions for country allocations, which the Secretariat shared with the Strategy Committee at its 8th meeting in October 2018. The recommended catalytic investments are grouped based on order of priority into the five total catalytic funding scenarios such that the most critical priorities are funded even in lower funding scenarios.
4. This paper sets forth the catalytic priorities recommended by the Strategy Committee for Board approval for the 2020-2022 allocation period and their proposed associated costs under scenarios of different funding amounts. Detailed scenarios setting out catalytic priorities and associated costs under each scenario are attached as Annex 1.

## Process for determining catalytic investments

5. At the request of the Strategy Committee, the Secretariat led a process, in close consultation with partners, to determine the recommendations for catalytic investments for the 2020-2022 allocation period. In summary, the process consisted of:
  - **Identifying scenario amounts:** At its October 2018 meeting, the Strategy Committee reviewed potential outcomes of the allocation formula for the 2020-2022 allocation period under different funding envelopes, which the Secretariat modelled to inform the trade-offs in

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<sup>3</sup> These findings were presented to the Strategy Committee at its 7th meeting in July 2018.

the amounts set-aside for catalytic investments and country allocations. Based on the scale-up of funding that could be achieved compared to the 2017-2019 allocations, four catalytic funding scenarios were developed – \$200 million, \$400 million, \$600 million and \$800 million – linked to the available sources of funds for allocation. The Strategy Committee also recommended the inclusion of a \$900 million scenario at its March 2019 meeting.

- **Defining the prioritization approach:** The Strategy Committee endorsed a prioritization approach in October 2018, reaffirming the principles of catalytic investments and outlining strategic and operational criteria to assess all priorities considered for catalytic funding. This prioritization approach has served as the basis for the entire process to determine catalytic investments.
- **Reviewing the evidence with partners:** The Secretariat led an extensive consultation process to review all existing catalytic investments and consider potential new priorities. These discussions, spanning more than six months, considered catalytic priorities within the broader context of progress towards the Strategy, based on an analysis and synthesis of a wide array of factors including a review of the most recent evidence, the latest epidemiological developments, progress on the Strategic Key Performance Indicators (KPIs) – including challenges with underperforming KPIs – global disease targets, geographical disparities and programmatic gaps.
- **Considering all existing levers:** Each priority under consideration was viewed within the full range of the Global Fund’s policy levers and mechanisms to assess the added value of catalytic investments in driving impact.
- **Finalizing the prioritization approach:** Based on the priorities recommended by partners, the Secretariat applied the Strategy Committee-endorsed prioritization criteria to group the catalytic priorities according to strategic and operational factors, and to place them in order of priority into the funding scenarios.

### ***Identifying scenario amounts***

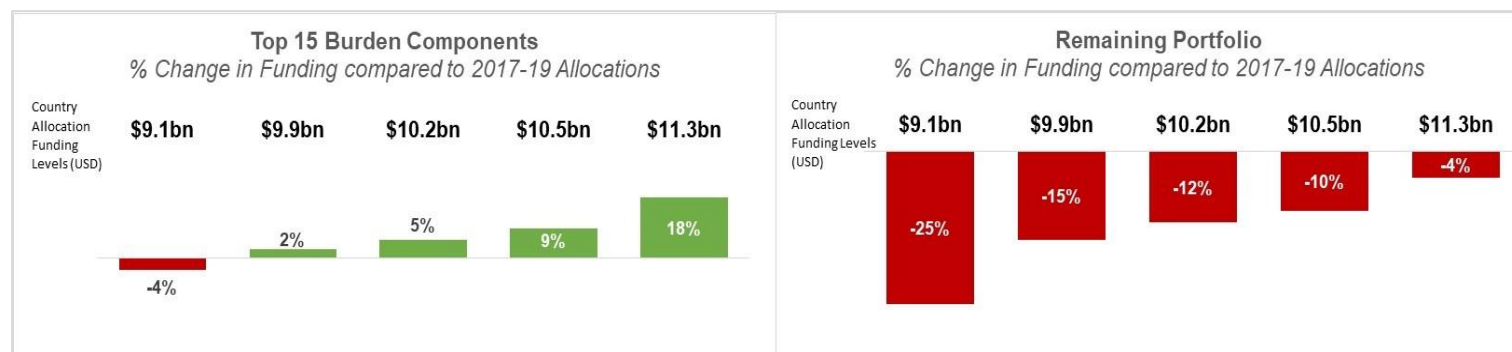
6. The catalytic scenario amounts are linked to ranges of available sources of funds for allocation to facilitate the approval of catalytic priorities before replenishment outcomes are known, allowing for timely operationalization before the commencement of the 2020-2022 allocation period. The amounts to set aside for catalytic investments were determined in relation to the level of scale-up and paced reductions of funding in country allocations, as demonstrated through modelling results of applying the allocation formula to various funding scenarios, which were presented to the Strategy Committee in October 2018. The Secretariat first modelled country allocations at different funding levels while maintaining catalytic funding at \$800 million. It became evident that in lower funding scenarios, the scale-up of funding would be insufficient in the top 15 components with greatest disease burden across the portfolio, while the remaining components would experience steep declines in funding compared to the 2017-2019 allocations.<sup>4</sup>
7. For example, if \$800 million of catalytic funding were maintained when available sources of funds are at \$10.1 billion, country allocations would receive \$9.3 billion. Under this scenario, allocations for the top 15 burden components would decline by 2% overall and the rest of the portfolio would see a 23% decrease overall compared to the 2017-2019 allocations. Therefore, under this scenario of \$10.1 billion sources of funds, the Strategy Committee recommends \$200 million for catalytic investments, so that \$9.9 billion is directed to country allocations to scale up funding among the

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<sup>4</sup> For each disease, the top 15 burden components are defined as the 15 countries with highest share of total disease burden of all eligible countries, based on the disease burden indicators of the country allocation methodology.

highest burden components by 2% and to limit the reduction for the rest of the portfolio to 15%. The scenario amounts for catalytic priorities reflect the prioritization of a sufficient level of scale-up and responsible paced reductions in country allocations, as presented in Figure 1.<sup>5</sup>

Figure 1: % Change in 2020-2022 Allocations compared to 2017-2019 Allocations under Various Funding Scenarios



8. At its 9th meeting in March 2019, the Strategy Committee acknowledged the need to prioritize funding for sufficient scale-up in country allocations, but also recognized the important role of catalytic funding in addressing critical areas. Therefore, the Committee recommended an additional \$900 million scenario should the sources of funds for allocations reach \$13.1 billion or above, which would allow all recommended priorities to be fully funded. The Strategy Committee also requested that in the event the total sources of funds for allocation is below \$10.1 billion, the Secretariat return to the Strategy Committee with a recommendation on catalytic investments, recognizing the likely need to consider other aspects of the allocation methodology to minimize the negative impact of this reduced funding level. The Strategy Committee would in turn make a recommendation to the Board. Table 1 sets forth the ranges of available sources of funds for allocation for each catalytic funding scenario, and the associated amounts for country allocations.<sup>6</sup>

Table 1: Ranges of Sources of Funds for Allocation and Associated Catalytic Investment Amounts

|   |   | Group 1<br>Priorities for<br>\$200m<br>Scenario | Group 2<br>Additional<br>priorities for<br>\$400m Scenario | Group 3<br>Additional<br>priorities for<br>\$600m Scenario | Group 4<br>Additional<br>priorities for<br>\$800m Scenario | Additional<br>funding for ALL<br>priorities<br>\$900m Scenario |
|---|---|---|--|--|--|--|
| Sources of<br>Funds for<br>Allocation<br>Range (\$bn) | Below \$10.1bn  | \$10.1bn –<br>\$10.6bn                          | \$10.6bn –<br>\$11.1bn                                     | \$11.1bn –<br>\$12.1bn                                     | \$12.1bn –<br>\$13.1bn                                     | \$13.1bn or<br>above   |
| Catalytic<br>Investments<br>(\$m)                     | Secretariat to<br>return to Strategy<br>Committee with<br>recommendation<br>on catalytic<br>investments | \$200m  | \$400m   | \$600m   | \$800m   | \$900m   |
| Country<br>Allocations<br>(\$bn)                      |   | \$9.9bn –<br>\$10.4bn                           | \$10.2bn –<br>\$10.7bn                                     | \$10.5bn –<br>\$11.5bn                                     | \$11.3bn or<br>\$12.3bn                                    | \$12.2bn or above  |

<sup>5</sup> The 2020-2022 scenario results are Formula-Derived Amounts (FDA) only, which do not account for qualitative adjustments and country program split flexibility. Results shown are those presented to the Strategy Committee in October 2018, which were based on assumptions and latest available data of disease burden and economic capacity at the time.

<sup>6</sup> For the 2020-2022 allocation period, the sources of funds for allocation will be recommended by the Audit and Finance Committee to the Board, as described in the Comprehensive Funding Policy (GF/B36/02 – Revision 1).

9. The Strategy Committee also considered the ranges of sources of funds for allocation and the number of catalytic funding scenarios, observing that small differences in sources of funds for allocation could result in steep differences in the total amount of catalytic funding. At the same time, recalling that the primary purpose of taking an earlier decision on catalytic investments was to facilitate early operationalization, and that this would be undermined by increasing the number of potential scenarios to prepare for, the Strategy Committee agreed that five scenarios should be maintained. However, the Strategy Committee recommended that should sources of funds for allocation fall above the midpoint of any of the specified ranges, the Secretariat could recommend up to an additional \$100 million of catalytic funding to the Board for approval. Additional catalytic funding can be proposed to be invested in any of the priority areas relating to the next higher funding scenario. For example, if sources of funds for allocation are \$11.9 billion, the \$600 million catalytic funding scenario would apply. The Secretariat may then also recommend up to an additional \$100 million of catalytic investments to be invested in any of the priorities associated with the \$800 million scenario. The total amount of catalytic investments if sources of funds for allocation are \$11.9 billion may therefore be up to \$700 million.

### ***Defining the prioritization approach***

10. The selection of catalytic priorities was driven by two principles: (1) to invest to maximize impact and use of available funds in order to achieve the aims of the Strategy; and (2) to invest in priorities that are unable to be adequately addressed through country allocations alone, and yet are deemed critical to ensure that the Global Fund's investments are positioned to deliver against its strategic aims.
11. At its 8<sup>th</sup> meeting in October 2018, the Strategy Committee endorsed a prioritization approach to assess the strategic impact and operational considerations of all existing and potential new catalytic priorities for the 2020-2022 allocation period. Drawing from partner recommendations and a review of the available evidence, the Secretariat applied this approach to all newly proposed and existing priorities.
12. The *strategic impact* criteria evaluated each priority's potential for increased impact based on its contribution to the Global Fund's Strategic Objectives and KPIs, the expected catalytic effect, and the epidemiological or programmatic risk if the priority would not be funded in the 2020-2022 allocation period.
13. The *operational* criteria assessed the degree to which the catalytic priority could be effectively funded in country allocations over the 2020-2022 allocation period, considering (i) the potential to maintain the catalytic effect within country grants; (ii) the risk that these investments would be deprioritized and undo previous gains; and (iii) other sources of funding.
14. For the priorities that could be most effectively operationalized as a catalytic investment, the Secretariat considered which of the three modalities – Matching Funds, Multi-Country approaches or Strategic Initiatives – would be most appropriate. The aim of each modality is to catalyze funding to ensure the delivery of the Strategy in the following ways:<sup>7</sup>
- Matching Funds (MF): to incentivize the programming of country allocations in selected countries towards key strategic priorities, in line with the Strategy and partner disease strategies;

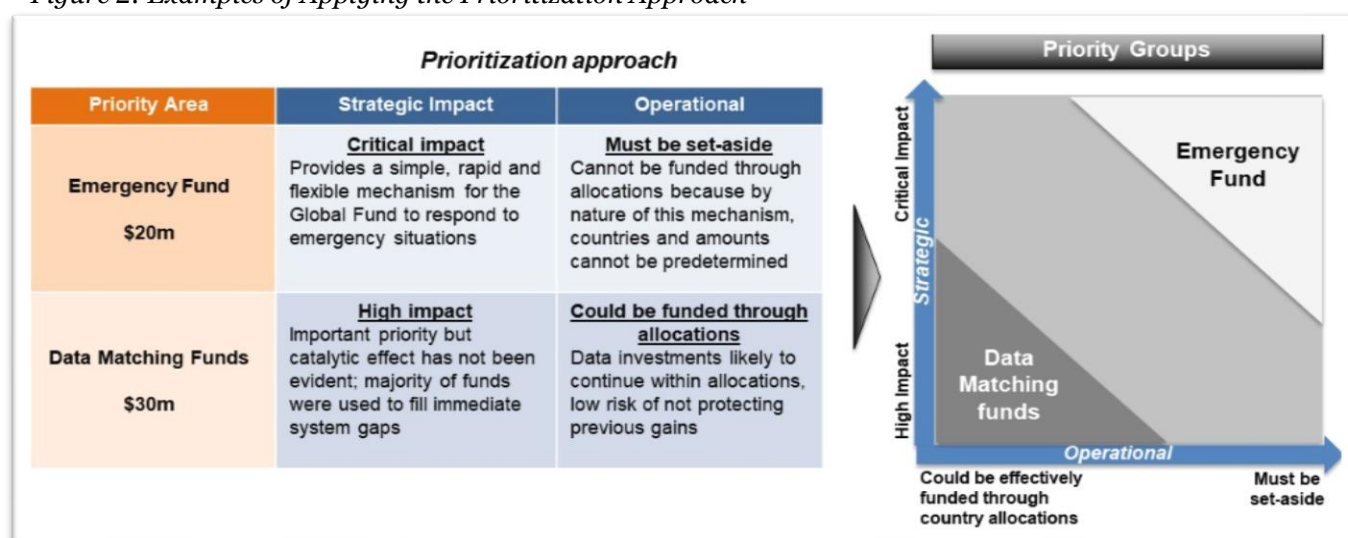
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<sup>7</sup> GF/B36/04 – Revision 2.



- Multi-Country approaches (MC): to target a limited number of strategic priorities deemed critical to meet the aims of the Strategy and are best addressed through a multi-country approach; and
  - Strategic Initiatives (SI): to provide limited funding for centrally managed approaches that cannot be adequately addressed through country allocations due to their cross-cutting or off-cycle nature, but are critical to ensure country allocations deliver against the Strategy.
15. Figure 2 illustrates how the prioritization approach was applied using two examples of existing catalytic investments: the Emergency Fund Strategic Initiative and the Data Matching Funds. The Emergency Fund has been rated as having critical strategic impact in providing a simple, rapid and flexible mechanism to respond to emergency situations. Operationally, the Emergency Fund must be set-aside from country allocations because financing needs for emergencies cannot be predicted. Therefore, the Emergency Fund has been recommended to be funded even at lower funding amounts for catalytic investments. In contrast, the Data Matching Funds have been recommended to be discontinued because the catalytic effect has been limited, given that data investments in country allocations and from other funders are significantly greater, and because these investments will likely continue in the 2020-2022 allocation period.

Figure 2: Examples of Applying the Prioritization Approach



### Reviewing the evidence with partners

16. Partners were an integral part of the prioritization process. Between September 2018 and March 2019, disease-specific consultations were held through the forums of the HIV Situation Room, TB Situation Room and malaria Country/Regional Support Partner Committee (CRSPC). In addition, a series of broader consultations took place on all catalytic priorities, including those related to building Resilient and Sustainable Systems for Health (RSSH), and other cross-cutting areas. These consultations included engagement via the Joint Working Group, the Community, Rights and Gender (CRG) Advisory Group and the bilateral/multilaterals group. Table 2 lists a summary of the partner consultations on catalytic investments.

Table 2: List of Partner Consultations on Catalytic Investments

| Partner Forums  | Dates   |
|---|---|
| HIV Situation Room  | September 20, 2018<br>December 14, 2018<br>January 10, 17 and 31, 2019<br>February 8 and 13, 2019 |
| TB Situation Room   | September 12, 2018<br>December 3, 2018<br>February 21, 2019                                       |
| Malaria CRSPC   | September 25, 2018<br>October 19, 2018<br>January 23, 2019<br>February 26, 2019                   |
| CRG Advisory Group  | November 2, 2018  |
| Bilaterals and Multilaterals Partners' Meeting                        | November 16, 2018   |
| WHO Joint Working Group   | December 4, 2018<br>January 25, 2019  |
| Partners Meetings on Cross-Cutting Catalytic Funding and RSSH Roadmap | February 15, 18, 20, 22 and 25, 2019  |

17. The aim of the consultations has been to seek partner input and recommendations on the strategic priorities most needed to catalyze progress towards the aims of the Strategy and which cannot be adequately addressed through country allocations alone. These discussions included a review of the evidence, including epidemiological developments and progress to date on the 2017-2019 catalytic investments, to identify which existing and new priorities were relevant to recommend for set-aside funding in the 2020-2022 allocation period. Based on this input, the Secretariat applied the Strategy Committee-endorsed prioritization approach to determine a relative ranking and grouping of the proposed investments.
18. From these consultations, core themes drove the partner recommendations on catalytic investments. For HIV, the recommended catalytic priorities focus on prevention to reduce incidence and on enhancing program quality and effectiveness. The recommended TB catalytic investments focus on progressing towards the UN High Level Meeting (UNHLM) target of finding and treating 40 million people by 2022. For malaria, the recommended catalytic priorities respond to critical threats of drug and insecticide resistance, and contribute to malaria elimination. In terms of RSSH, the recommended catalytic priorities support system investments that contribute to catalyzing progress against the three diseases, including strengthening data systems, Procurement and Supply Management (PSM) systems, service delivery innovations, and community and civil society engagement. Cross-cutting investments include removing human rights barriers in the context of the three diseases, supporting sustainability, transition and efficiency, and funding critical contingency measures through the Emergency Fund.

## Considering all existing levers

19. Catalytic funding is one of the Global Fund's many levers or mechanisms available to incentivize the effective use of country allocations throughout the grant lifecycle. These levers include allocation letters sent to countries that highlight important considerations from the Board and the Secretariat; policies and investment guidance that define technical areas to maximize program impact; active grant management and Country Coordinating Mechanism (CCM) engagement processes to influence national dialogue; grant and strategic performance reporting; and funding decisions on reprogramming, performance-based funding and portfolio optimization (see Figure 3).

20. Each priority under consideration for catalytic funding was assessed within the range of the Global Fund's levers to determine the added value of funding it through investments outside of country allocations. As a result, some priorities were considered best addressed through country allocations, using existing mechanisms to enhance investments in these areas.

21. For the 2020-2022 allocation period, priorities that are either not fully funded or not funded at all as catalytic investments will be addressed by applying the existing levers and tailoring them as needed.

22. For example, data strengthening is an important priority as reflected in country allocations: approximately \$400 million from the 2017-2019 grants is dedicated to Monitoring and Evaluation (M&E) activities.

Concept notes are guided by the "Data Use for Action and Improvement Framework," while technical partners and country dialogue stakeholders help countries prioritize the most impactful M&E systems interventions. There are many existing partnership mechanisms to ensure that data is used strategically in program management and decision-making. These efforts have resulted in improvements in geographic and sub-populating targeting with the roll-out of DHIS2. Performance of KPI 6d and 6e is on track and the targets are ambitious. Catalytic funding would help accelerate progress by increasing investments for digital health platforms through private sector and other partnerships, and by incentivizing the development of global products, such as standardized interoperable systems for patient tracking and supply chain.

23. A second example is key populations, for which investments in evidence-based HIV prevention, treatment and care programs are critical to contribute to reducing HIV incidence globally. KPI reporting at end-2018 demonstrates that the average investment in key populations in middle income countries increased from 26% in the 2014-2016 allocation period to 37% in the 2017-2019 allocation period, based on the grants approved so far. A small part of this increase (0.6%) was catalyzed by the 2017-2019 Key Populations Matching Fund, where investment scale-up of community-led services in innovative and expanded key population responses in 12 countries could not be achieved with country allocations alone. However, for the rest of the portfolio, policy levers such as the focus of application and co-financing requirements under the Sustainability, Transition and Co-financing (STC) policy, country dialogue, in-country partner engagement, technical assistance, TRP review and revisions, and Grant Approvals Committee (GAC) feedback have helped drive this significant increase in the share of key populations-focused investments.

Figure 3: Levers to Maximize Global Investments



### ***Finalizing the prioritization approach***

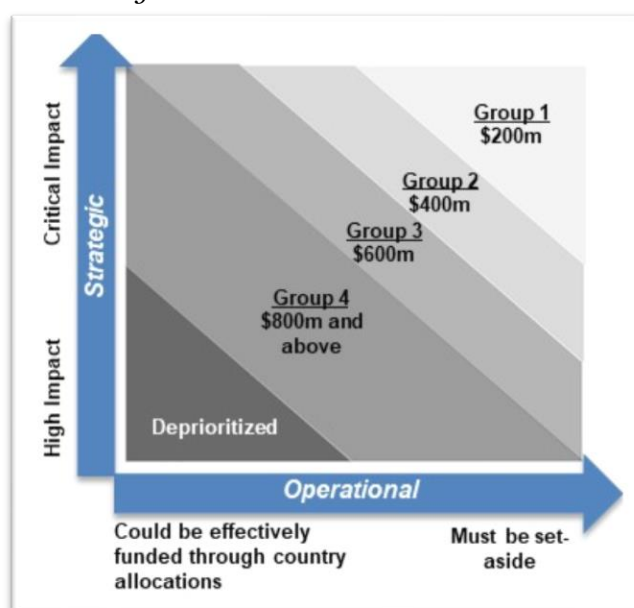
24. Pooling together the inputs from technical partners, the review of the evidence and the consideration of existing levers, the Secretariat finalized the prioritization approach by rating each potential catalytic priority according to the strategic impact and operational criteria agreed upon by the Strategy Committee.
25. The ongoing catalytic priorities with the lowest ratings were deprioritized, either because their catalytic effect was limited or because it was expected to be achieved in the 2017-2019 allocation period. Table 3 indicates the four catalytic priorities recommended to be discontinued after the 2017-2019 allocation period.

*Table 3: 2017-2019 Catalytic Investments deprioritized for the 2020-2022 allocation period*

| 2017-2019 Catalytic Priority           | 2017-2019 Amount (US\$m) |
|--|--------------------------|
| Data (MF)                              | \$30                     |
| Developing Local Resources (SI)        | \$12                     |
| Malaria Elimination - Mesoamerica (MC) | \$6                      |
| Innovation Challenge Fund (SI)         | \$10                     |
| <b>Total Deprioritized</b>             | <b>\$58</b>              |

26. The Mesoamerica initiative will not be further funded in the 2020-2022 allocation period because the 2017-2019 multi-country grant pooled funds with contributions from other funders to launch a joint financing facility for malaria elimination in the region, enabling it to operate until 2022. There may be a further need for investments in a multi-country grant in the 2023-2025 allocation period.
27. Data and developing local PSM resources will be strengthened with targeted support from related Strategic Initiatives recommended for the 2020-2022 allocation period. However, the focus will be on optimizing these investments through other policy levers, such as improving the quality of funding requests or ensuring that these priorities are well-addressed in National Strategic Plans.
28. After these four catalytic investments were deprioritized for the 2020-2022 allocation period, all the remaining priorities (new and existing) were grouped according to their ratings to determine at what level of catalytic funding they should be financed. The most critical priorities would be

Figure 4: From Prioritization to Catalytic Funding Scenarios



financed under lower funding scenarios, while others would be additional priorities to finance under higher funding scenarios.

29. As depicted in Figure 4, Group 1 represents the priorities with the highest ratings and would be funded in all scenarios, starting with \$200 million. Group 2 would begin to be funded at the \$400 million scenario, Group 3 at \$600 million, and Group 4 at \$800 million and above.

## Prioritization Outcomes

### Recommended Priorities

30. The catalytic priorities presented here are the recommendations of the Strategy Committee for the 2020-2022 allocation period, informed by extensive input from technical partners and the Secretariat's application of the prioritization approach. Table 4 presents the Strategy Committee's recommended catalytic priorities, grouped by catalytic funding scenario. The recommended investments either respond to areas of underperformance in the strategic KPIs or are critical to achieving progress against the three diseases and in building RSSH in ways that country allocations alone cannot adequately address.
31. Annex 2 provides the detailed proposals of all the recommended catalytic priorities. The proposals in Annex 2 describe the prioritization rationale, including their expected catalytic effect and operational effectiveness as a set-aside investment, as well as the proposed budget for the 2020-2022 allocation period. For new priorities, the proposals outline what evidence has led to their recommendation, and for continuing priorities, an explanation of how they will evolve in the 2020-2022 allocation period.
32. The total proposed amount for all twenty-six recommended priorities is \$894 million. To fit into funding scenarios lower than this amount, the most prioritized group (Group 1) is funded at a higher share of the proposed budget, with a gradual scaling down across the other groups.

Table 4: 2020-2022 Recommended Catalytic Investments by Funding Scenario Groups

|                                 | <b>Group 1</b><br><b>Priorities for</b><br><b>\$200m Scenario</b>   | <b>Group 2</b><br><b>Additional Priorities</b><br><b>for \$400m Scenario</b>                                       | <b>Group 3</b><br><b>Additional Priorities</b><br><b>for \$600m Scenario</b>   | <b>Group 4</b><br><b>Additional Priorities</b><br><b>for \$800m and \$900m</b><br><b>Scenarios</b> |
|---------------------------------|---|--|--|--|
| <b>HIV</b>                      | <i>Note: Human Rights recommended to evolve to cross-cutting in 2020-2022</i>   | Adolescent Girls and Young Women (MF)<br><br>Scaling Up Community-Led Key Population Programs (MF/MC) <sup>8</sup> | Key Populations and Sustainability (MC)<br><br><b>NEW</b> Differentiated HIV Service Delivery (SI)<br><br><b>NEW</b> TB Preventive Treatment for PLHIV                           | <b>NEW</b> Condom Programming (SI)   |
| <b>TB</b>                       | Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment (MF)   | Targeted TA for innovative approaches to finding missing people with TB (SI)                                       | TB Multi-Country Approaches (MC)   |  |
| <b>Malaria</b>                  | Addressing Drug Resistance in the Greater Mekong Sub-region (MC)<br><br>Accelerated Introduction of New Nets (SI)                                   |  | Malaria Elimination in Southern Africa (MC)<br><br>Regional Coordination and Targeted TA for Implementation and Elimination (SI)<br><br>Malaria Elimination 2025 Initiative (SI) | RTS,S Vaccine (SI)   |
| <b>RSSH &amp; Cross-cutting</b> | Data (SI)<br><br>Community, Rights and Gender (SI)<br><br>Human Rights (MF + SI)<br><br>Emergency Fund (SI)<br><br>TERG Independent Evaluation (SI) | Sustainability, Transition and Efficiency (SI)<br><br>PSM Transformation (SI)                                      | Service Delivery Innovations (SI)<br><br>Accelerated Introduction of Innovations (SI)<br><br>CCM Evolution (SI)  | <b>NEW</b> Innovative Finance (SI)   |

33. In the \$900 million scenario, all recommended priorities would be fully funded as they have been determined to have the potential to increase the impact of the Global Fund's investments. The \$800 million scenario includes all recommended catalytic priorities with a slight reduction in budget amounts for Groups 2-4. The \$600 million scenario would fund Groups 1-3 to incentivize more effective use of allocations for key strategic priorities and sustainability, respond to regional needs and deliver targeted technical assistance. The \$400 million scenario prioritizes further by funding Groups 1-2 only, addressing critical epidemiological needs and driving sustainability and key strategic areas in the allocations. Finally, the \$200 million scenario, which is linked to a lower amount of sources of funds for allocations, would focus on driving funding towards the most critical

<sup>8</sup> In a scenario where the funds available for catalytic investments are equal to \$400 million, the Secretariat recommends a singular set-aside for Key Populations investments with flexibility to implement such investments through a Multi-Country and/or Matching Funds modality. This flexibility is required to ensure that catalytic investments are operationalized through the most effective modality and informed by changes to country HIV allocations.



activities that would not occur without additional Global Fund resources. Given the number of critical priorities in Group 1, a funding envelope of \$200 million would fund these priorities at less than half of the proposed amount. Annex 1 provides the catalytic investment amounts under each scenario.

34. Twenty-two out of the twenty-six proposed catalytic priorities for the 2020-2022 allocation period are continuing priorities from the 2017-2019 allocation period. Given that implementation of the 2017-2019 catalytic investments has only recently begun, the Secretariat and partners recommend continuing most of the 2017-2019 catalytic priorities to enable these efforts to reach sufficient levels of maturity and to not undo the progress being made. Nonetheless, the continuing catalytic investments will build on lessons learned from the current allocation period, including placing greater focus on innovation, and on strengthening community systems and community-led responses. Annex 2 includes details on how each continuing catalytic priority is expected to evolve.
35. Four new priorities<sup>9</sup> are recommended for catalytic investments based on challenges in the implementation of grants in the 2017-2019 allocation period, programmatic gaps, and emerging risks to achieving the Strategy targets that cannot be fully addressed through allocations alone. For example, TB preventive treatment (TPT) for People Living with HIV emerged as a priority strongly supported by both TB and HIV partners because, despite being cost-effective and recommended by WHO since many years, the uptake of TPT has been slow, as evidenced by the significantly under-performing KPI, and this lack of progress has created a wide gap to the Post-UNHLM target of 6 million people living with HIV receiving TPT by 2022. The proposed catalytic investment aims to incentivize the uptake of TPT in HIV programs, complementing the Global Fund's other investments for TPT through the TB Matching Funds and country allocations.
36. All priorities proposed in consultation with technical partners have been included in the Strategy Committee's recommendation. At the Strategy Committee meeting in March 2019, the Secretariat recommended all but one of the priorities endorsed in partner consultations. HIV partners had proposed a new Strategic Initiative for condom programming to improve country leadership, condom programming stewardship and demand creation to increase the uptake of condoms among target populations. Recognizing the substantial quantity of condoms purchased in Global Fund grants as part of prevention programs, the Secretariat was in support of condom programming. However, in determining catalytic priorities within limited resources, the Secretariat proposed that condom programming be addressed through country allocations, in engagement with other partners that fund technical assistance for this priority. The Strategy Committee, during its review of priorities, noted the strategic relevance of condom programming to address incidence rates among youth and the limited in-country technical capacity to respond to this need. It therefore recommends that condom programming be included in the \$800 million and \$900 million scenarios.
37. Some priorities were discussed in technical partner consultations but ultimately not endorsed by partners or the Secretariat. For example, TB partners raised the importance of aligned efforts to accelerate the process of developing and making available the anti-TB vaccine candidate (M72/AS01E), which has shown promising efficacy to date.<sup>10</sup> While this vaccine candidate could be a game-changer in the fight against TB, partners and the Secretariat agreed that there is currently not enough information to move forward with this proposal as a catalytic investment. Nonetheless,

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<sup>9</sup> The four new priorities are HIV Differentiated Service Delivery, TB Preventive Treatment for People Living with HIV, Condom Programming and Innovative Finance. In addition, two priorities are a combination of existing and newly proposed catalytic investments: Service Delivery Innovations and the Malaria Regional Coordination and Targeted TA. For further details, please see Annex 2.

<sup>10</sup> 54% efficacy in a Phase 2b trial conducted in Kenya, South Africa and Zambia.

TB partners and the Secretariat will continue to follow this innovation and coordinate with other relevant partners to strategize about the future needs for the development of this vaccine.

38. The Board Coordinating Group emphasized the criticality of TERG independent evaluations and recommended that this priority be funded in all catalytic scenarios. In the \$900 million scenario, TERG independent evaluations would be funded at \$22 million, while in the lowest scenario of \$200 million, it would receive \$12 million.
39. In addition, some members of the Strategy Committee endorsed the inclusion of CCM Evolution as a cross-cutting priority in Group 3 that would be funded in the \$600 million scenario or higher. This was based on the acknowledgement that the steer and oversight by CCMs can be a contributing factor to strategic grant management, service delivery, and longer-term sustainability, while noting the need to embed CCMs within existing national structures where relevant and needed. The Strategy Committee noted that further information on the CCM Evolution pilot will be reported in October 2019 to the Strategy Committee and that this will inform the direction of the project in the 2020-2022 cycle.
40. Table 5 indicates the scenario amounts by indicative modality. A greater proportion of catalytic priorities will be operationalized through Matching Funds and Multi-Country approaches in the lower catalytic funding scenario of \$400 million to primarily support critical service delivery at country and regional levels. The proportion of Strategic Initiatives, which include targeted technical assistance, will incrementally increase in higher funding scenarios of \$600 million and above.

*Table 5: Scenario Amounts by Indicative Modality (% of total)<sup>11</sup>*

| Modality             | \$200m<br>Scenario | \$400m<br>Scenario | \$600m<br>Scenario | \$800m<br>Scenario | \$900m<br>Scenario |
|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Matching Funds       | 39%                | 48%                | 40%                | 36%                | 34%                |
| Multi-Country        | 33%                | 23%                | 26%                | 26%                | 26%                |
| Strategic Initiative | 29%                | 29%                | 34%                | 38%                | 41%                |
| Total                | 100%               | 100%               | 100%               | 100%               | 100%               |

41. In order to allow for further refinement to the budgets and implementation arrangements to maximize the effectiveness of catalytic investments, the Strategy Committee recommends that the Secretariat have flexibility in operationalizing these investments and in reallocating the approved amounts in Annex 1 within a 10% range if needed. Any reallocations of the associated costs exceeding 10% will be presented to the Strategy Committee for approval.

### ***Evolving the Operationalization of Catalytic Investments***

42. The Secretariat will refine the operationalization of catalytic priorities, building on emerging evidence and lessons learned from the implementation of catalytic investments in the 2017-2019 allocation period. Specifically, the Secretariat will operationalize catalytic investments with the following objectives for the 2020-2022 allocation period:
  - i. Improved alignment across catalytic priorities where there are linkages to ensure a coordinated approach that responds to country needs;
  - ii. Improved funding request processes, stronger strategic alignment of catalytic investments with country allocations and overall programmatic objectives;

<sup>11</sup> Due to rounding, the percentages shown in this table add up to be over 100% for some scenarios.



- iii. Encouraging sustainability plans for catalytic investments so that after the 2020-2022 allocation period these investments can either be mainstreamed into country allocations or funded with domestic resources;
  - iv. Optimizing how grant funding can be leveraged to deliver quality technical support on programmatic issues;
  - v. Closely monitoring management and operational costs associated with catalytic investments, which may be funded from the amounts set-aside for such investments in each funding scenario; and
  - vi. Reducing transaction costs associated with all modalities.
43. The Secretariat will provide an update and further details on the planned operationalization of catalytic investment priorities at the Strategy Committee's July 2019 meeting.

## **What do we need to do next to progress?**

44. The Secretariat will prepare for operationalization of the catalytic investments per the funding scenarios detailed in Annex 1, and within the flexibilities noted in the Decision Point.
45. Delays in the Board decision beyond May would jeopardize the timely roll-out of catalytic investments for the 2020-2022 allocation period and undermine the effectiveness of these investments.
46. The Strategy Committee recommends the Decision Point on pages 2 to 3, and the catalytic priorities and associated budgets under different funding scenarios for the 2020-2022 allocation period, as described in Annex 1.

## **Recommendation**

The Board is requested to approve the catalytic investments and corresponding scenarios as recommended by the Strategy Committee.

## **Annexes**

The following items can be found in Annex:

- Annex 1: Catalytic Investment Scenarios
- Annex 2: 2020-2022 Catalytic Investment Proposals
- Annex 3: Relevant Past Decisions
- Annex 4: Summary of Strategy Committee Input

## Annex 1 – Catalytic Investment Scenarios

**Table 1: USD 900 million for Catalytic Investments**

The table below sets forth the catalytic priorities and associated costs to be funded if sources of funds for allocation for the 2020-2022 allocation period are ***greater than or equal to USD 13.1 billion***.

| Priority   | Illustrative Modality                 | Associated Cost (\$m) | Aggregate Total (\$m) |
|--|---------------------------------------|-----------------------|-----------------------|
| <b><u>HIV</u></b>  |                                       |                       | \$201                 |
| Adolescent Girls and Young Women   | Matching Funds                        | \$56                  |                       |
| Scaling Up Community-Led Key Population Programs for Sustainable Impact                    | Matching Funds                        | \$50                  |                       |
| Key Populations and Sustainability Multi-Country Approaches                                | Multi-Country                         | \$50                  |                       |
| Differentiated HIV Service Delivery  | Strategic Initiative                  | \$15                  |                       |
| TB Preventive Treatment for PLHIV  | Strategic Initiative                  | \$15                  |                       |
| Condom Programming   | Strategic Initiative                  | \$15                  |                       |
| <b><u>TB</u></b>   |                                       |                       | \$204                 |
| Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment       | Matching Funds                        | \$150                 |                       |
| Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB  | Strategic Initiative                  | \$14                  |                       |
| TB Multi-Country Approaches  | Multi-Country                         | \$40                  |                       |
| <b><u>Malaria</u></b>  |                                       |                       | \$216                 |
| Addressing Drug Resistance in the Greater Mekong Sub-region                                | Multi-Country                         | \$120                 |                       |
| Addressing Insecticide Resistance through Accelerated Introduction of New Nets             | Strategic Initiative                  | \$50                  |                       |
| Malaria Elimination in Southern Africa   | Multi-Country                         | \$20                  |                       |
| Regional Coordination and Targeted Technical Assistance for Implementation and Elimination | Strategic Initiative                  | \$10                  |                       |
| Malaria E-2025 Initiative  | Strategic Initiative                  | \$8                   |                       |
| Malaria RTS,S/AS01 Vaccine   | Strategic Initiative                  | \$8                   |                       |
| <b><u>RSSH &amp; Cross-cutting</u></b>   |                                       |                       | \$279                 |
| Data   | Strategic Initiative                  | \$35                  |                       |
| Community, Rights and Gender   | Strategic Initiative                  | \$16                  |                       |
| Human Rights   | Matching Funds + Strategic Initiative | \$46                  |                       |
| Emergency Fund   | Strategic Initiative                  | \$20                  |                       |
| TERG Independent Evaluation  | Strategic Initiative                  | \$22                  |                       |
| Sustainability, Transition and Efficiency  | Strategic Initiative                  | \$18                  |                       |
| PSM Transformation (Continuation of PSM Diagnostics)                                       | Strategic Initiative                  | \$20                  |                       |
| Service Delivery Innovations   | Strategic Initiative                  | \$47                  |                       |
| Accelerated Introduction of Innovations  | Strategic Initiative                  | \$10                  |                       |
| CCM Evolution  | Strategic Initiative                  | \$15                  |                       |
| Innovative Finance   | Strategic Initiative                  | \$30                  |                       |
| <b>Total</b>   |                                       | <b>\$900</b>          | <b>\$900</b>          |

**Table 2: USD 800 million for Catalytic Investments**

The table below sets forth the catalytic priorities and associated costs to be funded if sources of funds for allocation for the 2020-2022 allocation period are ***below USD 13.1 billion and greater than or equal to USD 12.1 billion.***

| Priority   | Illustrative Modality                 | Associated Cost (\$m) | Aggregate Total (\$m) |
|--|---------------------------------------|-----------------------|-----------------------|
| <b><u>HIV</u></b>  |                                       |                       | \$169                 |
| Adolescent Girls and Young Women   | Matching Funds                        | \$50                  |                       |
| Scaling Up Community-Led Key Population Programs for Sustainable Impact                    | Matching Funds                        | \$45                  |                       |
| Key Populations and Sustainability Multi-Country Approaches                                | Multi-Country                         | \$40                  |                       |
| Differentiated HIV Service Delivery  | Strategic Initiative                  | \$12                  |                       |
| TB Preventive Treatment for PLHIV  | Strategic Initiative                  | \$12                  |                       |
| Condom Programming   | Strategic Initiative                  | \$10                  |                       |
| <b><u>TB</u></b>   |                                       |                       | \$193                 |
| Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment       | Matching Funds                        | \$150                 |                       |
| Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB  | Strategic Initiative                  | \$11                  |                       |
| TB Multi-Country Approaches  | Multi-Country                         | \$32                  |                       |
| <b><u>Malaria</u></b>  |                                       |                       | \$207                 |
| Addressing Drug Resistance in the Greater Mekong Sub-region                                | Multi-Country                         | \$119                 |                       |
| Addressing Insecticide Resistance through Accelerated Introduction of New Nets             | Strategic Initiative                  | \$50                  |                       |
| Malaria Elimination in Southern Africa   | Multi-Country                         | \$16                  |                       |
| Regional Coordination and Targeted Technical Assistance for Implementation and Elimination | Strategic Initiative                  | \$8                   |                       |
| Malaria E-2025 Initiative  | Strategic Initiative                  | \$6                   |                       |
| Malaria RTS,S/AS01 Vaccine   | Strategic Initiative                  | \$8                   |                       |
| <b><u>RSSH &amp; Cross-cutting</u></b>   |                                       |                       | \$231                 |
| Data   | Strategic Initiative                  | \$35                  |                       |
| Community, Rights and Gender   | Strategic Initiative                  | \$15                  |                       |
| Human Rights   | Matching Funds + Strategic Initiative | \$45                  |                       |
| Emergency Fund   | Strategic Initiative                  | \$20                  |                       |
| TERG Independent Evaluation  | Strategic Initiative                  | \$12                  |                       |
| Sustainability, Transition and Efficiency  | Strategic Initiative                  | \$17                  |                       |
| PSM Transformation (Continuation of PSM Diagnostics)                                       | Strategic Initiative                  | \$20                  |                       |
| Service Delivery Innovations   | Strategic Initiative                  | \$38                  |                       |
| Accelerated Introduction of Innovations  | Strategic Initiative                  | \$8                   |                       |
| CCM Evolution  | Strategic Initiative                  | \$11                  |                       |
| Innovative Finance   | Strategic Initiative                  | \$10                  |                       |
| <b>Total</b>   |                                       | <b>\$800</b>          | <b>\$800</b>          |

**Table 3: USD 600 million for Catalytic Investments**

The table below sets forth the catalytic priorities and associated costs to be funded if sources of funds for allocation for the 2020-2022 allocation period are ***below USD 12.1 billion and greater than or equal to USD 11.1 billion.***

| Priority   | Illustrative Modality                 | Associated Cost (\$m) | Aggregate Total (\$m) |
|--|---------------------------------------|-----------------------|-----------------------|
| <b><u>HIV</u></b>  |                                       |                       | \$112                 |
| Adolescent Girls and Young Women   | Matching Funds                        | \$38                  |                       |
| Scaling Up Community-Led Key Population Programs for Sustainable Impact                    | Matching Funds                        | \$35                  |                       |
| Key Populations and Sustainability Multi-Country Approaches                                | Multi-Country                         | \$25                  |                       |
| Differentiated HIV Service Delivery  | Strategic Initiative                  | \$7                   |                       |
| TB Preventive Treatment for PLHIV  | Strategic Initiative                  | \$7                   |                       |
| <b><u>TB</u></b>   |                                       |                       | \$156                 |
| Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment       | Matching Funds                        | \$128                 |                       |
| Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB  | Strategic Initiative                  | \$8                   |                       |
| TB Multi-Country Approaches  | Multi-Country                         | \$20                  |                       |
| <b><u>Malaria</u></b>  |                                       |                       | \$163                 |
| Addressing Drug Resistance in the Greater Mekong Sub-region                                | Multi-Country                         | \$101                 |                       |
| Addressing Insecticide Resistance through Accelerated Introduction of New Nets             | Strategic Initiative                  | \$43                  |                       |
| Malaria Elimination in Southern Africa   | Multi-Country                         | \$10                  |                       |
| Regional Coordination and Targeted Technical Assistance for Implementation and Elimination | Strategic Initiative                  | \$5                   |                       |
| Malaria E-2025 Initiative  | Strategic Initiative                  | \$4                   |                       |
| <b><u>RSSH &amp; Cross-cutting</u></b>   |                                       |                       | \$169                 |
| Data   | Strategic Initiative                  | \$25                  |                       |
| Community, Rights and Gender   | Strategic Initiative                  | \$13                  |                       |
| Human Rights   | Matching Funds + Strategic Initiative | \$38                  |                       |
| Emergency Fund   | Strategic Initiative                  | \$17                  |                       |
| TERG Independent Evaluation  | Strategic Initiative                  | \$12                  |                       |
| Sustainability, Transition and Efficiency  | Strategic Initiative                  | \$12                  |                       |
| PSM Transformation (Continuation of PSM Diagnostics)                                       | Strategic Initiative                  | \$17                  |                       |
| Service Delivery Innovations   | Strategic Initiative                  | \$23                  |                       |
| Accelerated Introduction of Innovations  | Strategic Initiative                  | \$5                   |                       |
| CCM Evolution  | Strategic Initiative                  | \$7                   |                       |
| <b>Total</b>   |                                       | <b>\$600</b>          | <b>\$600</b>          |

**Table 4: USD 400 million for Catalytic Investments**

The table below sets forth the catalytic priorities and associated costs to be funded if sources of funds for allocation for the 2020-2022 allocation period are ***below USD 11.1 billion and greater than or equal to USD 10.6 billion.***

| Priority  | Illustrative Modality                 | Associated Cost (\$m) | Aggregate Total (\$m) |
|---|---------------------------------------|-----------------------|-----------------------|
| <b><u>HIV</u></b>   |                                       |                       | \$46                  |
| Adolescent Girls and Young Women  | Matching Funds                        | \$24                  |                       |
| Scaling Up Community-Led Key Population Programs for Sustainable Impact*                  | Matching Funds + Multi-country        | \$22                  |                       |
| <b><u>TB</u></b>  |                                       |                       | \$118                 |
| Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment      | Matching Funds                        | \$113                 |                       |
| Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB | Strategic Initiative                  | \$5                   |                       |
| <b><u>Malaria</u></b>   |                                       |                       | \$126                 |
| Addressing Drug Resistance in the Greater Mekong Sub-region                               | Multi-Country                         | \$90                  |                       |
| Addressing Insecticide Resistance through Accelerated Introduction of New Nets            | Strategic Initiative                  | \$36                  |                       |
| <b><u>RSSH &amp; Cross-cutting</u></b>  |                                       |                       | \$110                 |
| Data  | Strategic Initiative                  | \$15                  |                       |
| Community, Rights and Gender  | Strategic Initiative                  | \$11                  |                       |
| Human Rights  | Matching Funds + Strategic Initiative | \$34                  |                       |
| Emergency Fund  | Strategic Initiative                  | \$15                  |                       |
| TERG Independent Evaluation   | Strategic Initiative                  | \$12                  |                       |
| Sustainability, Transition and Efficiency   | Strategic Initiative                  | \$8                   |                       |
| PSM Transformation (Continuation of PSM Diagnostics)                                      | Strategic Initiative                  | \$15                  |                       |
| <b>Total</b>  |                                       | <b>\$400</b>          | <b>\$400</b>          |

\* In a scenario where the funds available for catalytic investments are equal to USD 400 million, the Secretariat recommends a singular set-aside for Key Populations investments with flexibility to implement such investments through a Multi-country and/or Matching Funds modality. This flexibility is required to ensure that catalytic investments are operationalized through the most effective modality and informed by changes to country HIV allocations.

**Table 5: USD 200 million for Catalytic Investments**

The table below sets forth the catalytic priorities and associated costs to be funded if sources of funds for allocation for the 2020-2022 allocation period are ***below USD 10.6 billion and greater than or equal to USD 10.1 billion.***

| Priority   | Illustrative Modality                 | Associated Cost (\$m) | Aggregate Total (\$m) |
|--|---------------------------------------|-----------------------|-----------------------|
| <b><u>HIV</u></b>  |                                       |                       | \$0 *                 |
| <b><u>TB</u></b>   |                                       |                       | \$60                  |
| Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment | Matching Funds                        | \$60                  |                       |
| <b><u>Malaria</u></b>  |                                       |                       | \$87                  |
| Addressing Drug Resistance in the Greater Mekong Sub-region                          | Multi-Country                         | \$65                  |                       |
| Addressing Insecticide Resistance through Accelerated Introduction of New Nets       | Strategic Initiative                  | \$22                  |                       |
| <b><u>RSSH &amp; Cross-cutting</u></b>   |                                       |                       | \$53                  |
| Data   | Strategic Initiative                  | \$5                   |                       |
| Community, Rights and Gender   | Strategic Initiative                  | \$8                   |                       |
| Human Rights   | Matching Funds + Strategic Initiative | \$18                  |                       |
| Emergency Fund   | Strategic Initiative                  | \$10                  |                       |
| TERG Independent Evaluation  | Strategic Initiative                  | \$12                  |                       |
| <b>Total</b>   |                                       | <b>\$200</b>          | <b>\$200</b>          |

\* Human Rights was an HIV catalytic priority in the 2017-2019 allocation period. For the 2020-2022 allocation period it will evolve to be a cross-cutting priority. The majority of funds however will continue to support the implementation of HIV-related programs.

## Annex 2 – Catalytic Investment Proposals

|   |    |
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# HIV

## Adolescent Girls and Young Women

### Proposal for 2020-2022:

**Recommended Modality:** Matching Funds

**Recommended Recipient of Funds:** Countries

**Proposed Budget:** USD 55 million

|   |   |
|---|---|
| <b>Objective and Rationale:</b>   | Focused on 13 countries in sub-Saharan Africa where HIV incidence amongst Adolescent Girls and Young Women (AGYW) is extreme, the objective of this investment is to incentivize long term sustainability of a defined package of services for AGYW within national strategies and budgets to achieve incidence reduction.  |
| <b>Epidemiological context and country selection</b>  | Countries selected have extreme HIV incidence and prevalence in females aged 15-24 years: Botswana, Cameroon, Eswatini, Kenya, Lesotho, Malawi, Mozambique, Namibia, South Africa, Tanzania, Uganda, Zambia, Zimbabwe.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b>   | SO4 (b): Support countries to use existing resources more efficiently and to increase domestic resource mobilization<br>SO2: Build Resilient and Sustainable Systems for Health<br>SO3: Promote and Protect Human Rights and Gender Equality  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>   | KPI-8: Gender and age equality  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>13 countries implementing national sustainability plans for AGYW</li> <li>Contribute to development and implementation of sustainable programs to achieve HIV incidence reduction amongst girls and women aged 15-24 years old</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Incentivize increased funding from allocations to priority areas</li> <li><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</li> <li><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> </ul> <p>\$55 million was made available for AGYW matching funds in the 2017-2019 allocation period. This investment incentivized a four-fold increase in funding for programs to reduce HIV incidence amongst AGYW. Building on this progress, investment in the 2020-2022 period will focus on sustainability through integration of an evolved and defined package of services for AGYW into national strategies and related incidence targets, strengthened cross sectoral coordination and domestic resource mobilization.</p> |
| <b>Risk if this priority is not funded</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Risk of rising incidence in the 13 high burden countries if momentum on this priority is lost.</p>  |
| <b>Other major funders and initiatives for this priority</b>  | <ul style="list-style-type: none"> <li>PEPFAR DREAMS (\$800 million, 2015-2018)</li> </ul>  |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>Yes, but there is a risk of it being deprioritized in country allocations. An additional cycle of incentives is needed to sustain the nascent AGYW programs in the 13 target countries and to deliver on a quality and measurable package of services linked to a country plan and target.</li> </ul>  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>Allocative Efficiency Modelling</li> <li>National Strategic Plan (NSP) support</li> <li>Country and regional prioritization processes</li> <li>Application guidance and information notes/technical briefs</li> <li>Partnership agreements and MOUs</li> <li>Staffing support, AGYW Advisors</li> </ul>  |

|   |   |
|---|---|
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | <ul style="list-style-type: none"> <li>• Human Rights (MF): In countries where there is overlap, we have worked to align the human rights matching fund priorities with the AGYW human rights barriers</li> <li>• Data (SI): Supporting the capacity of AGYW focus countries to report on sex and age disaggregated data is a critical strategy towards program sustainability and countries' capacity to know their epidemic</li> <li>• Service Delivery Innovations – South-South Learning (SI): Program quality will rely on supporting country and partners to learn from on-going implementation</li> <li>• Community, Rights and Gender (SI): Supporting development of programs that are tailored to the needs of AGYW through community-led TA</li> </ul> |
|---|---|

## Evolution of the catalytic priority in 2020-2022

| <b>Progress to date for 2017-2019</b>  |   |
|--|---|
| <b>Budget</b> <i>Approved out of total available<sup>12</sup></i><br>\$50m (out of \$55m)  | <b>Fund Recipient:</b> Botswana, Cameroon, Eswatini, Kenya, Lesotho, Malawi, Mozambique, Namibia, South Africa, Tanzania, Uganda, Zambia, Zimbabwe                        |
| <b>Progress Update</b>   | <b>Expected Outcome</b>   |
| <ul style="list-style-type: none"> <li>• Defined package of AGYW interventions for 13 countries agreed for Global Fund grants</li> <li>• 4 out of 13 AGYW country strategies with incidence reduction targets</li> <li>• Leveraged \$140 million in additional funding for AGYW priority</li> <li>• Roll-out of geographically and sub-population targeted interventions</li> <li>• Projection and allocative efficiency model (Goals) updated to factor in sex and age disaggregation, and some new prevention interventions</li> <li>• Generation of new evidence on AGYW programming</li> <li>• Secretariat strategy to achieve goal implemented</li> </ul> | <ul style="list-style-type: none"> <li>• Programs for AGYW in 13 high burden countries are in implementation and aligned with defined package of interventions</li> </ul> |

## Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

AGYW matching funds in the 2017-2019 period incentivized a four-fold increase in investment for programs to reduce HIV incidence amongst AGYW in 13 countries. This investment contributed to a paradigm shift – supporting these countries to move from scattered and non-comprehensive AGYW interventions, towards implementation of a package of services targeted by geography and sub-population of AGYW according to risk. Alongside growing evidence available from PEPFAR and other technical partners, significant learnings have been generated from this work and there is growing visibility and interest from national and international stakeholders.

In the 2020-2022 allocation period, as part of a phased 6-year approach, utilization of matching funds will evolve to focus on supporting the 13 countries to develop a long term and sustainable strategy to achieve and maintain significant incidence reductions amongst AGYW. This will include solidifying a defined package of services, embedding these and incidence reduction targets into national strategies. Financing strategies will be developed to facilitate uptake of costs into domestic budgets and/or where relevant access innovative funding streams.

## For matching funds and multi-country, how will country selection differ?

Countries will not be added, but the constellation of existing countries and amounts may change.

## What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

- Allocative efficiency modelling tools; national strategies and targets; financing strategies; national coordinating and financing mechanism.
- Encouraging continued partnerships at national level and investing in improving the capacity of national actors including government counterparts and implementers.

<sup>12</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

# Key Populations and Sustainability Multi-Country Approaches

## Proposal for 2020-2022:

**Recommended Modality:** Multi-country

**Recommended Recipient of Funds:** Key Population Networks and Organizations

**Proposed Budget:** USD 50 million

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| <b>Objective and Rationale:</b>   | The primary objective of this investment is to contribute to the sustainability of effective and evidence informed HIV programs for key populations. Implemented through a multi-country approach, it will focus on addressing strategic bottlenecks and challenges impeding sustainable HIV responses for these communities via support for budget advocacy, data and evidence gathering and analysis, community systems strengthening, removing human rights related barriers in access to services, community-based monitoring, social accountability and strategic partnerships.  |
| <b>Epidemiological context and country selection</b>                        | The focus for the 2017-2019 allocation period has been upper middle income (UMI) and lower middle income (LMI) contexts in EECA, MENA, LAC and SE Asia where availability of external financing, including via the Global Fund, is decreasing and domestic financing limited or non-existent for key population programs.   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b>     | SO1: Maximize Impact against HIV, TB and Malaria<br>SO2: Build Resilient and Sustainable Systems for Health<br>SO3: Promote and Protect Human Rights and Gender Equality  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>           | KPI-5: Service coverage for key populations<br>KPI9c: increased domestic investment in key population responses   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Community mobilization, advocacy, and program innovation is effectively contributing to the scale-up and sustainability of programs for key populations.</li> <li>Enhanced regional coordination, collaboration and knowledge sharing to strengthen the development of sustainable national HIV responses, and transition preparedness planning, implementation and oversight.</li> <li>Increased domestic commitment for effective, evidence based key population programs.</li> <li>Key population led organizations have strengthened capacity to engage in key national, regional policy and program setting processes (e.g.: NHA, NHS, NSP).</li> </ul> |
| <b>Expected Catalytic Effect</b>  | <input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)<br><input checked="" type="checkbox"/> Enhance coordinated response for multi-country contexts<br>The investment aims to catalyze changes in social, economic, legal and political barriers which hinder the scale-up and sustainability of programs for key populations in Global Fund eligible and ineligible countries.   |
| <b>Risk if this priority is not funded</b>                                  | <input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance<br>Risk of key population service disruption or discontinuation and rising incidence in countries where external financing is diminishing and/or where there remains unwillingness to support evidence informed programs for key populations.  |
| <b>Other major funders and initiatives for this priority</b>                | <ul style="list-style-type: none"> <li>OSF along with a limited number of other philanthropic organizations have been providing critical support to communities in a sub-set of contexts.</li> <li>Bilateral donors and related agencies including PEPFAR, the French 7%, DFAT are active across multiple contexts – supporting transition planning and preparedness and associated analysis and gearing bilateral investments towards sustainability.</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>          | <ul style="list-style-type: none"> <li>No. Multi-country grants include ineligible countries and have a broader span of engagement and operation than single-country grants.</li> <li>For countries in closer proximity to transition and where HIV allocations are diminishing, funding beyond country allocations is critical to catalyze broader domestic commitment.</li> </ul>   |
| <b>Besides catalytic funding, how do existing GF policies and processes</b> | <ul style="list-style-type: none"> <li>STC policy co-financing requirements</li> <li>STC policy focus of proposal requirements</li> <li>Key population, human rights, gender and CSS technical guidance</li> </ul>  |

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| <b>facilitate prioritization in this area?</b>  | <ul style="list-style-type: none"> <li>• Country dialogue</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | <ul style="list-style-type: none"> <li>• Human Rights Matching Fund and Strategic Initiative</li> <li>• CRG Strategic Initiative</li> <li>• Key Populations Matching Fund – complimentary in focus</li> <li>• Data Strategic Initiative – critical in supporting strengthened data quality and availability for key populations</li> <li>• STE Strategic Initiative</li> </ul> |

## Evolution of the Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>  |   |
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| <b>Budget</b> <i>Approved out of total available<sup>13</sup></i><br>\$ 47m (out of \$50m)   | <b>Fund Recipient:</b> CSOs in EECA, MENA, Latin America and Caribbean, and SE Asia   |
| <b>Progress Update</b>   | <b>Expected Outcome</b>   |
| <ul style="list-style-type: none"> <li>• Multi-country grants in South East Asia, EECA, MENA, Latin America, the Caribbean in implementation or at final stages of approval. Full \$ 50 million allocated in 2017-2019 cycle will be accessed.</li> <li>• Program approaches are tailored to regional contexts and include national budget advocacy, social contracting, data and evidence generation and utilization, community systems strengthening, and programs to remove human rights related barriers.</li> </ul> | Capacity, evidence, advocacy and strategies to facilitate sustainability of HIV responses for key populations in countries across 5 regions is increased and effective. |

### **Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

The objective of the investment remains relevant. Key population representatives and networks have however raised concern that Global Fund processes and requirements leave community-led organizations at a comparative disadvantage in funding request development and approval processes. Operationalization of this catalytic priority will respond to these challenges and evolve to maximize benefit and accessibility to these communities and their networks and organizations. In a scenario where the total funds available for catalytic investments are equal to \$400 million, the Secretariat recommends a singular set-aside for Key Populations investments with flexibility to implement such investments through a Multi-country and/or Matching Funds modality.

### **For matching funds and multi-country, how will country selection differ?**

The focus for the 2017-2019 allocation period was in line with the Board's recommendation to prioritize regions with: a high proportion of countries where HIV allocations were decreasing; a density of countries in closer proximity to 'transition'; and where domestic commitment to investments in evidence-based key population programs is limited. Country selection within these regions was determined by applicants via consultative processes supported by partners.

Multiple stakeholders raised concern that the geographic focus in the 2017-2019 period leaves critical key population program sustainability challenges in other regions unaddressed. The Secretariat recommends continuing to select regions, as guided by Global Fund Board (GF/B36/04 – Revision 2), to focus these investments towards "middle income countries where with barriers to scale up of key services for key populations and/or insufficient resources for transition (E. Europe, SE Asia, LAC)." It is recommended that HIV multi-country grants in the 2020-2022 period be similarly focused on sustainability of HIV programs for key populations, unless guided by the Board to expand or contract geographic scope. The eligibility criteria for multi-country allow for the inclusion of non-eligible countries in these grants when at least 51% of included countries are eligible. Pre-identification of priority non-eligible countries for inclusion could also be facilitated to enable investment in specific contexts.

### **What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

These investments will include national budget advocacy to increase domestic financing of key population programs, social contracting to enable such programs to be delivered by community organizations, as well as broader resource mobilization strategies to enable access to alternative funding streams when domestic funding is not made available.

<sup>13</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

# Scaling Up Community-Led Key Population Programs for Sustainable Impact

## Proposal for 2020-2022:

**Recommended Modality:** Matching Fund

**Recommended Recipient of Funds:** Countries

**Proposed Budget:** USD 50 million

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| <b>Objective and Rationale:</b>   | <p>To incentivize differentiated models of service delivery by strengthening community-led HIV prevention, testing, treatment and care programs for key populations in countries with high HIV burden amongst key populations.</p> <p>This is a continuation of the Key Populations Impact matching funds investment in the 2017-2019 allocation period, evolved and refined to focus on community systems, responses and services.</p>  |
| <b>Epidemiological context and country selection</b>                    | <p>High burden countries where additional investment in community system development and scale-up of community led services will maximize impact. The investment will contribute to long-term sustainability of quality, evidence-informed programs for key populations.</p> <p>Countries receiving matching funds in the 2017-2019 allocation period are: Benin, Cameroon, Cote d'Ivoire, Ghana, Honduras, Jamaica, Kenya, Myanmar, Senegal, Ukraine, Viet Nam, Zimbabwe.</p> <p>Confirmation of countries for inclusion in the 2020-2022 allocation period will be informed by analysis of progress to date, opportunities for scale-up of community-led responses and domestic commitment.</p>  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build Resilient and Sustainable Systems for Health</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-1: Performance against impact targets</p> <p>KPI-2: Performance against service delivery target</p> <p>KPI-5: Service coverage for key populations</p> <p>KPI-9: Human rights</p>   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Strengthened community systems have improved the quality and scale of community led key population programs</li> <li>Community led HIV programs are integrated into national HIV responses</li> <li>Key populations have increased access to evidence based, effective HIV services</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Incentivize increased funding from allocations to priority areas</li> <li><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</li> <li><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> </ul> <p>Intended catalytic effects include greater prioritization of community level differentiated service delivery (including prevention) systems and approaches within allocations and national HIV programs more broadly. Innovation in such models will be actively pursued as tailored to specific communities and context.</p> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Key populations remain disproportionately impacted by HIV in all settings. While the Global Fund makes significant investment in programs for these communities it is widely agreed that coverage and quality of programs are highly variable and under scale.</p>   |
| <b>Other major funders and initiatives for this priority</b>            | <p>PEPFAR is a major funder of key populations programs. Where there are joint countries of focus, program alignment will be a priority. Other critical actors and donors include: Agence française de développement; Ministry of Foreign Affairs of the Netherlands; DfID; GiZ.</p>   |
| <b>Can this be effectively funded through country allocations?</b>      | <ul style="list-style-type: none"> <li>Theoretically yes but incentives are required to accelerate strengthening and scale-up of community led programs.</li> </ul>  |



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| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• STC policy focus of proposal requirements</li> <li>• STC policy co-financing requirements</li> <li>• Country dialogue</li> <li>• Technical briefs and information notes</li> <li>• Thematic reviews</li> </ul>  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• Human Rights Matching Fund and Strategic Initiative – supporting the removal of human rights barriers in access to services for key populations.</li> <li>• Data Strategic Initiative – support for data strengthening activities and evaluations.</li> <li>• CRG Strategic Initiative – strengthened engagement of key populations.</li> <li>• Key Population Multi-Country grants.</li> </ul> |

## Evolution of the Catalytic Priority in 2020-2022

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| <b>Progress to date for 2017-2019</b>   |  |
| <b>Budget</b> <i>Approved out of total available<sup>14</sup></i><br>\$48m (out of \$50m)   | <b>Fund Recipient:</b> 12 countries  |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| <ul style="list-style-type: none"> <li>• 11 countries with TRP recommended and Board approved matching funds integrated into country allocations and programs. 12th country in approval.</li> <li>• Contextually tailored interventions integrated into national programs including: <ul style="list-style-type: none"> <li>○ Introduction of innovative prevention, testing, treatment and retention service delivery approaches</li> <li>○ Age and gender responsive service development and delivery</li> <li>○ Community systems strengthening</li> <li>○ Addressing inequities in access to broader health services</li> <li>○ Peer to peer adherence and retention support</li> </ul> </li> </ul> | Key populations in 12 countries have improved access to evidence-based effective prevention, treatment and care services |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The approach to this priority is informed by lessons learnt from the 2017-2019 allocation period. The key change is refinement to focus specifically on systems strengthening and scale-up of community-led services. This will necessarily include community systems and health systems strengthening, including data availability; community mobilization and empowerment; policy advocacy, programs to remove human rights and gender-related barriers as they relate to key populations.

While primarily focused on prevention, strengthening retention in treatment and care services and community-led testing, is included to ensure progress is made towards access to comprehensive services for these communities.

### For matching funds and multi-country, how will country selection differ?

Countries of focus will include a number from the 12 countries receiving matching funds in the 2017-2019 allocation period. Prioritized will be those contexts where it is evident that matching funds have been effective in improving the quality of services and there is clear evidence of domestic commitment in support of community-led, evidence-informed and rights-based, comprehensive services for sex workers, people who use drugs, gay and other men who have sex with men, transgender people and people in prisons and/or pre-trial detention.

Additional countries may be added following joint assessment and analysis. Final selection will be based on a diagnostic of barriers to scale-up and system bottlenecks (e.g. lack of regulatory frameworks to fund community/CS organizations; policy impediments in the provision of community-led services). Selection will be conducted in collaboration with key stakeholders including key population representatives and technical partners.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Country specific plans will be developed to maximize the potential of sustained outcomes. The system outcomes anticipated as result of these investments are specifically focused on strengthening sustainable community-led responses as critical components of an overall national HIV response.

<sup>14</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

# Differentiated HIV Service Delivery

**Proposal for 2020-2022:**

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** TBD

**Proposed Budget:** USD 15 million

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| <b>Objective and Rationale:</b>   | <p>To incentivize increased program quality and efficiency along the HIV testing and treatment cascade. This will be achieved through promoting best-practices and accelerating country implementation of approaches through expert technical support.</p> <p>The focus will be on populations and geographies with greatest gaps, particularly key populations globally and men in high HIV burden settings. It will support the expansion of models for addressing AIDS mortality due to advanced disease and strengthen the monitoring of the effects of implementation of Differentiated Service Delivery (DSD) on impact and progress toward national targets.</p>   |
| <b>Epidemiological context and country selection</b>                    | <p>Despite significant scale-up of HIV testing and treatment, important gaps remain along the care cascade particularly among key populations, as well as men in high HIV burden settings. Knowledge of HIV status by specific sub-populations and regions remains poor, such as 15% in Pakistan and below 50% in most countries in Western Central Africa. Even in settings where knowledge of status among PLHIV is higher, key populations and men with HIV remain less likely to know their status and to be on treatment. In sub-Saharan African countries who have nearly or already achieved the first 90 target, testing and treatment coverage among key populations is significantly lower. Men have had persistently lower ARV testing and treatment coverage; diagnosis of HIV at an advanced stage has remained stable and mortality for men has flat-lined in sub-Saharan Africa while outcomes for women have improved. Solutions for men require rethinking the current service delivery models to ensure that men's needs are at the center of the models. Examples exist but countries need targeted technical support to match the best solution to the problem and take to scale.</p> <p>One out of three patients starting ART has advanced HIV disease with about 1 million people dying per year. Half of all PLHIV diagnoses is in concentrated epidemics, and less than a third in generalized epidemic settings are among patients late in disease stage, posing a great burden to weak health systems. If significant changes are not made to the service delivery system, the world will not achieve the 90-90-90 global treatment targets.</p> <p>The solution proposed is to scale person-centered service delivery approaches to improve early diagnosis with active linkage to treatment, retention and viral suppression. Despite the availability of guidelines and frameworks to assist countries in developing testing, treatment and care DSD models, countries have struggled to operationalize new guidelines. This issue is in line with key observations noted by the TRP in its report on the 2017-2019 funding cycle Window 1 and 2 reviews. Differentiated and innovative services for testing like index- and self-testing offer additional opportunities to increase programmatic efficiencies where needed, enabling countries to optimize the already constrained health budget and donor resources to achieve the greatest impact, and ensure services are tailored to client needs including those of men and KPs. Innovations in DSD models for treatment, like multi-month scripting, adherence clubs, community ARV groups and points of distribution and other facility models have also demonstrated consistent improvement in client/patient engagement and retention in care and ultimately viral suppression, while freeing up time for those presenting with advanced disease.</p> <p>Prioritized countries (tentative, with initial analysis): Cameroon, Cote d'Ivoire, Ghana, India, Indonesia, Kenya, Lesotho, Malawi, Mozambique, Nigeria, Pakistan, South Africa, Tanzania, Zambia.</p> |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build Resilient and Sustainable Systems for Health</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-2: Performance against service delivery targets</p> <p>KPI-5: Service coverage for key populations</p>   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Catalyze effective use of country allocations by integrating cost-effectiveness considerations along the HIV treatment cascade.</li> </ul>   |

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|   | <ul style="list-style-type: none"> <li>Improved program quality and efficiency of national HIV responses. Currently, priority countries listed have suboptimal performance on global targets and within sub-populations and geographies. Intensified technical support is expected to catalyze and drive the scale-up of innovation and lead to large-scale operationalization of DSD across a continuum of HIV testing, treatment and care. This is expected to accelerate implementation and the achievement of national and global targets for these countries.</li> </ul>                              |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p>The technical assistance is expected to catalyze increased effective use of country allocations and by integrating cost-effectiveness considerations along the HIV testing and treatment cascade. In many contexts this will lead to a more innovative and sustainable service delivery model.</p>           |
| <b>Risk if this priority is not funded</b>  | <p><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</p> <p>The absence of differentiated testing models will impact the quality and effectiveness of service delivery by the national response. By not funding this priority, slow rates of uptake “business as usual” will result in targets not being achieved and lead to preventable HIV-related deaths and new infections that could have otherwise been averted.</p>  |
| <b>Other major funders and initiatives for this priority</b>  | <p>The other potential major donors/partners are PEPFAR and WHO. This catalytic investment will closely be coordinated with PEPFAR to align funding streams at national and sub-national levels.</p>   |
| <b>Can this be effectively funded through country allocations?</b>  | <p>Yes, some of this technical assistance can be funded through country allocations. However, this technical assistance is usually not prioritized within grants. This priority was not suggested in the last allocation and funding to differentiate service delivery was not prioritized within country allocations which resulted in slow and non-uniform policy uptake of DSD. Even when budgeted, existing national procurement guidelines and issues of country prioritization disproportionately increase the transaction costs of sourcing this technical assistance from country allocations.</p> |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>Global Fund information notes on DSD, HIV self-testing, key populations</li> <li>The country allocation, together with partners, will ensure adequate funding of essential services on HIV testing, linkage to treatment, retention on treatment, including required commodities such as the testing kits/reagents, antiretroviral drugs.</li> </ul>  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>TB Preventive Treatment (TPT): DSD models of service delivery across the continuum of care includes addressing TB and HIV coinfection.</li> <li>Strategic Initiative for Data.</li> <li>CRG Strategic Initiative: A focus on men within the DSD proposal addresses issues of gender, access and masculinity.</li> <li>Key Populations Matching Fund: DSD in testing ensures that the most vulnerable are not left behind.</li> </ul>  |

## Evolution of the Catalytic Priority in 2020-2022

### How was this priority funded in the 2017-2019 allocation period?

This was largely not funded as the WHO relevant guidelines were very recent.

Initial work on differentiated HIV testing and service delivery key populations was supported in a few countries under the existing WHO/Global Fund agreement and under 1-year of funding from the Dutch Government. DSD for treatment and care has not been a catalytic priority, however it is a priority and approach supported by the Global Fund to improve efficiency and program quality.

### What new evidence supports the funding of this priority as set-aside catalytic funding in the 2020-2022 allocation period?



- The diffusion of innovation (in this case, implementation of new WHO guidelines) will need locally identified best practices. Technical assistance will enable the localization of WHO guidelines. Allocation of funding alone ends up with business as usual.
- WHO recommendations on the use of differentiated models of service delivery for ART as part of person-centered HIV care and treatment (WHO Consolidated ARV guidelines – 2016).
- WHO/IAS recommendations, key considerations and implementation frameworks on differentiated service delivery for Treatment and Care (2017), for children, adolescents and pregnant and breastfeeding women (2018), and Key Populations (2017) and on HIV testing (2018).
- WHO recommendations on strategic mix of approaches, HIV self-testing, partner notification etc. and forthcoming guidance in 2019 on social-network based approaches, strategies for key populations etc.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Based on the diffusion of innovation in service delivery, the recommendations from WHO guidelines will gradually become standard practice in most of the countries.

# TB Preventive Treatment for People Living with HIV

**Proposal for 2020-2022:**

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** TBD

**Proposed Budget:** USD 15 million

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| <b>Objective and Rationale:</b>   | To catalyze accelerated scale-up of TB preventive treatment (TPT) as part of an HIV package of care to reduce HIV mortality and morbidity related to tuberculosis. This will include: promoting increased leadership by national AIDS and TB programs to scale-up TB preventive treatment among PLHIV, including novel regimens; improving demand and acceptability for implementation among healthcare providers, strengthening implementation capacity and feasibility of systems to diagnose TB among PLHIV, to ensure TPT commodities and access to interventions at client interfaces; and strengthening target setting, measurement and reporting around TPT within the HIV health care setting.   |
| <b>Epidemiological context and country selection</b>                    | <p>Despite impressive scale-up of antiretroviral therapy in the last decade, TB remains the leading cause of death among PLHIV, accounting for an estimated 32% of the 940,000 AIDS deaths in 2017. The United Nations 2016 Political declaration on HIV and AIDS committed to reducing TB deaths among PLHIV by 75% by 2020 compared with 2010; however, by 2017, only a 42% reduction in TB deaths among PLHIV was reported, and the overall target to reduce AIDS deaths to 500,000 by 2020 is not expected to be reached without addressing tuberculosis.</p> <p>PLHIV continue to die from this preventable and curable infection, despite evidence that interventions such as early ART and TB preventive treatment reduce TB incidence and mortality. A six-month course of isoniazid in PLHIV enrolling in care has been shown to reduce mortality by 37% after 5 years in a major study from West Africa (TEMPRANO) and a systematic review of IPT amongst PLHIV showed a 35% reduction in TB incidence. While the evidence is clear, uptake of TB preventive treatment has been very slow, with only 15 of the 30 TB/HIV high burden countries reporting initiation of preventive treatment in 2017, and amongst the 59 countries which reported globally, coverage was only 36% in 2017, and likely even lower if nonreporting countries are included. There is an urgent need to scale up this life-saving intervention, which is cost-effective and available.</p> <p>The first United Nations High-Level Meeting (UNHLM) on tuberculosis held in September 2018 resulted in ambitious targets to be met by 2022, including provision of TPT to at least 30 million people, of which at least 6 million are PLHIV. Given that in 2017, less than one million PLHIV were initiated on TPT, concerted efforts will be needed by HIV programs to ensure that TPT is offered and completed for all eligible PLHIV. While TPT has been a WHO recommended intervention for many years, it has not been adopted at the same rate as other preventive interventions for a number of reasons, including, concerns about toxicities and resistance (despite WHO reviews to the contrary), responsibility falling between TB and HIV programs, false perception that ART scale-up is sufficient to address TB, among others. Now, post UNHLM declaration, with ambitious targets to be reached urgently, HIV programs need to be catalyzed to scale-up these evidence-based interventions.</p> <p>Prioritized countries will be selected from the 30 WHO TB-HIV high-burden countries, with a focus on populations and geographies with the greatest gaps.</p> |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-2: Performance against service delivery targets</p> <p>% of PLHIV newly enrolled in care that started preventive therapy for TB, after excluding active TB</p>  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Improved capacity of national HIV programs to reduce TB incidence and mortality among PLHIV by scaling up TPT (and ruling out TB).</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> </ul>  |

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|   | Currently responsibility for TB prevention falls between the HIV and TB programs resulting in TPT not being taken up over the last 10 years. The TPT KPI is the lowest performing KPI, despite years of technical guidance and guidelines. Intensified technical assistance is expected to catalyze and drive use of innovations in TB preventive regimens and ambitious target-based programming by National HIV programs to accelerate uptake of TPT (after ruling out TB) and take efforts to scale.  |
| <b>Risk if this priority is not funded</b>  | <ul style="list-style-type: none"> <li>☒ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> <li>☒ Programmatic risk, e.g. affecting service delivery, systems</li> </ul> <p>Current uptake is very low (less than 1/3 of new enrollees in HIV care initiating TPT) and TB mortality reduction is not on track to reach 2020 goals. Globally there were nearly a million (920,000) cases of TB among PLHIV in 2017. The trajectory of incidence and mortality reduction is slow and needs to be catalyzed to take prevention efforts to scale.</p> <p>The risk of not funding this priority is that the slow rate of uptake remains “business as usual” and we do not meet our targets and fail to prevent TB disease and deaths.</p>    |
| <b>Other major funders and initiatives for this priority</b>  | <ul style="list-style-type: none"> <li>• PEPFAR (TPT is high priority in the COP19) and the Global Fund will also support the procurement of TPT commodities within some country allocations</li> <li>• WHO (normative, coordination, enabling, technical support)</li> <li>• UNITAID (IMPAACT4TB scaling up 3HP; CHAI advanced HIV disease project)</li> </ul>  |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>• Country-level technical assistance (TA) can be funded through country allocations; however global and regional coordination, convening, measurement and enabling intensified support for taking these efforts to scale would need catalytic funding.</li> </ul>   |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• Global Fund information notes highlight importance of TB prevention and screening among PLHIV.</li> <li>• Global Fund monitoring of TPT KPI should facilitate this prioritization.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• TB case finding: Efforts to intensify TB case finding can be leveraged to offer TPT if patient with TB symptoms does not have TB</li> <li>• Human Rights Matching Fund: Access to novel TB preventive treatment regimens could be part of the human rights agenda</li> <li>• CRG Strategic Initiative: TB preventive treatment (and TB screening) should be included in peer education materials and be part of treatment literacy</li> <li>• Key Populations Matching Fund: TB prevention and screening should be offered within HIV services to KPs, also in line with advanced HIV disease package</li> <li>• South-South Learning: To ensure that TPT is well represented in the Concept Notes through peer review</li> </ul> |

## Evolution of the catalytic priority in 2020-2022

### How was this priority funded in the 2017-2019 allocation period?

This was funded through country allocations only.

### What new evidence supports the funding of this priority as set-aside catalytic funding in the 2020-2022 allocation period?

This is an underperforming KPI and with the imminent 2020 target of reduced TB deaths among PLHIV by 75% compared with 2010 and the ambitious target post UNHLM on TB of 6 million PLHIV receiving TPT by 2022, there is need for catalytic efforts to build capacity of HIV programs to take primary responsibility for ensuring that TPT is offered as part of the HIV care package, especially in people with advanced HIV disease in collaboration with TB programs.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

The catalytic measures will include:

1. policy dialogue between National AIDS Program (NAP) managers to shift governance of TPT provision among PLHIV to HIV programs as part of routine package of care (in collaboration with TB programs) including financing and oversight
2. capacity-building of NAPs to lead provision of TPT among PLHIV (as part of package of care)
3. technical support for revision of national HIV guidelines to include new regimens/drug-drug interactions/innovative technologies
4. technical support to NAPs to ensure that HIV supply chain forecasting includes TPT regimens and needed lab commodities, that information systems are optimized to monitor TPT uptake, and pharmacovigilance
5. structural barrier assessment to address acceptability of TPT; training of HCWs and demand creation for clients for innovative approaches to TPT
6. development of country targets, measurement approaches and reporting strategies for TPT KPI

These measures will build capacity and shift the primary responsibility of provision of TB preventive treatment to HIV programs as part of routine care (with support from TB programs). Once the shift has happened (including transition in funding of commodities to HIV budgets, similarly to funding for other opportunistic infection prophylaxis and treatment commodities), this should become part of the routine HIV management system.

# Condom Programming

**Proposal for 2020-2022:**

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** TBD

**Proposed Budget:** USD 15 million

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| <b>Objective and Rationale:</b>   | To establish permanent and functional national capacity to manage condom programming as a core part of comprehensive HIV prevention in select countries. While condoms may be available, the absence of leadership and capacity in national HIV programs results in sub-optimal planning, forecasting and use of commodities, and limited social marketing. The result is sub-optimal access and use of condoms, wastage and ultimately increased risk of HIV transmission.   |
| <b>Epidemiological context and country selection</b>                    | <p>Despite the effectiveness of condoms and the growing need for them, significant gaps exist in national condom programs. After decades of HIV prevention investment and programming, condoms are not sufficiently available or promoted to high need populations. National leadership and capacity to plan and manage condom programs is limited.</p> <p>In many African countries, condom use trends are stagnant or decreasing, with low reported use at last non-regular partner by populations most at risk for HIV. There are persistent equity gaps in condom use across urban/rural and wealth quintiles. Some of these shifts are a result of declining investments in condom programming by donors and governments. These declines derive in part from increased investments in more highly efficacious interventions such as PrEP or voluntary male medical circumcision (VMMC). However, only a fraction of those who need HIV prevention have access to those methods.</p> <p>The need for condoms grows as population dynamics in many priority countries indicate the development of the so-called 'youth bulge'. Addressing this 'youth bulge' in condom programming in high prevalence countries is a priority because youth have not been exposed to condom messaging as condom social marketing campaigns have largely been phased out. National condom systems and plans are not set up to address these demographic and funding landscape changes.</p> <p>Gaps in the availability and use of condoms reflect more than supply problems. There is a need to invest in data driven and sustainable national systems, which include:</p> <ul style="list-style-type: none"> <li>• condom program <u>leadership</u> including coordination and oversight, capacity to plan, and monitor forecasting, distribution and utilization.</li> <li>• strengthening the "<u>stewardship</u>" capacity of the public sector to better lead the coordination of donor efforts, facilitate private sector/market-based approaches, create incentives and remove barriers; and</li> <li>• development of <u>demand creation</u> strategies and campaigns to sustain and grow condom markets.</li> </ul> <p>Countries: Preliminary analysis has identified 9 high burden countries that have low condom coverage and major distribution and demand generation gaps. An additional 10 countries with lower HIV prevalence with significant burden have been identified. Country selection would be based on funds available and could be a combination of these two groups or a singular focus on high burden countries where the risk of HIV transmission remains high.</p> |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build Resilient and Sustainable Systems for Health</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-2: Performance against service delivery targets</p> <p>KPI-5: Service coverage for key populations</p>   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Dedicated structured and capacitated country program in place for effective condom programming.</li> <li>• National ministry of health management capacity, skills, and tools are operational</li> <li>• Increased access to condoms for priority populations – targets to be established.</li> <li>• Increased uptake of condoms among target populations linked with demand creation – targets to be established.</li> </ul>   |

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| <b>Expected Catalytic Effect</b>  | <input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund<br><input checked="" type="checkbox"/> Enable more effective use of country allocations<br><p>Strong and strategic condom program leadership and stewardship is expected to catalyze more effective use of country commodity allocations and market shaping. This funding would be conditional upon government commitment and investment in commodities plus dedicated staff positions and placement of a condom program hub within ministry structures. It will support staff, structures, tools and capacity.</p>   |
| <b>Risk if this priority is not funded</b>  | <input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance<br><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems<br><p>The absence of evidence based national prevention responses will impact the quality and effectiveness of service delivery in the national response, may lead to continued waste of condoms procured through grant allocations.</p>   |
| <b>Other major funders and initiatives for this priority</b>  | <p>Where countries selected overlap with U.S. government health and development programs investing in condoms, joint planning will be done to ensure no duplication of financing or support efforts, and that all condom commodity investments made by all donors are effectively used.</p>  |
| <b>Can this be effectively funded through country allocations?</b>  | <p>Theoretically yes, though there is no current practice of countries proposing this investment. Condom commodities are funded through country allocations. Catalytic investments are requested to improve leadership, planning and capacity in this domain.</p>  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• Global Fund Information Note emphasizing on HIV prevention, including procurement of condoms and condom programming.</li> <li>• The country allocations, together with partners, will ensure adequate funding the essential services on prevention, including required commodities.</li> </ul>  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• Key Populations Matching Fund: Catalytic investments in national systems for improved condom programming will support investments in key population programming, including the KP matching funds, by building systems to better quantify condom need, to strengthen condom supply and distribution systems so that they are more targeted and more sustainable, and by improving investments in condom demand creation targeting key populations.</li> <li>• AGYW: Catalytic investments in national systems for improved condom programming will directly support investments in programming for AGYW and their male partners. Accessibility to condoms and demand creation in youth is a component of a comprehensive youth HIV prevention effort.</li> </ul> |

## Evolution of the catalytic priority in 2020-2022

### How was this priority funded in the 2017-2019 allocation period?

It was not. Related investments by the Global Fund were mostly on the procurement of condoms.

### What new evidence supports the funding of this priority as set-aside catalytic funding in the 2020-2022 allocation period?

UNAIDS data on condom gaps in fast-track countries; UNAIDS Prevention Gap report (2016); Mann Global Health report (2016) on challenges to fast-track condom targets, commissioned by Gates Foundation, endorsed by UNAIDS.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Catalytic funding will be conditional on corresponding country commitment and investment in dedicated personnel positions for national condom programs placed as a permanent part of the relevant Ministry or Department; this will include Government commitment to create a national condom program and 'hub' that will be resourced beyond the 2020-2022 allocation period. Additionally, the country funding request must include an appropriately quantified condom commodity budget and/or evidence of other donor investments in condom commodities.



# Malaria

## Addressing Drug Resistance in the Greater Mekong Sub-Region

**Proposal for 2020-2022:**

**Recommended Modality:** Multi-country

**Recommended Recipient of Funds:** UNOPS

**Proposed Budget:** USD 119 million

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| <b>Objective and Rationale:</b>   | To address the threat of drug resistance in the Greater Mekong Sub-region (GMS) by eliminating drug resistant parasites in the 5 countries in the region affected by multi-drug resistance, in combination with country allocations.  |
| <b>Epidemiological context and country selection</b>                    | Region is characterized by high geographical heterogeneity across and within countries, with higher transmission along borders and in forests and forest fringes. There is high population movement within each country and across countries for economic activity. Multi-drug resistance of <i>P. falciparum</i> is widely documented, and there is a clear history of drug resistance spreading from this region to others.<br><br>The five GMS countries including those affected by the threat of multi-drug resistance are: Myanmar, Thailand, Lao People's Democratic Republic, Cambodia, Vietnam.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Burden of malaria in all high-transmission areas reduced to less than 1 case per 1,000 population at risk by 2020.</li> <li>Eliminate malaria by 2030 in all GMS countries and eliminate <i>P. falciparum</i> malaria by 2025.</li> <li>In areas where malaria transmission has been interrupted, maintain malaria-free status and prevent reintroduction.</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Incentivize increased funding from allocations to priority areas</li> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> <li>☑ Enhance coordinated response for multi-country contexts</li> </ul> <p>Set-aside funding has addressed drug resistance, catalyzed a focus on elimination at scale in the GMS region, and leveraged significant additional resources from the allocation and domestic funding to date, and is managed with country allocations.</p> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li>☑ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Continuing this investment is key to protecting the gains made so far and driving progress towards elimination. Eliminating drug resistance in the GMS is imperative to protect antimalarial drugs globally.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | PMI funding across the GMS is \$69 million for 2017-2019. BMGF funding for the same period is \$56 million. With Global Fund both donors provide complementary funding in several priority areas, including: strengthening malaria surveillance; strengthening case management across public, community and private sectors; monitoring therapeutic efficacy of antimalarial drugs; supply chain management for health commodities; WHO technical support at sub-regional and national level. It is expected that funding will continue at similar levels during the 2021-2023 period.  |
| <b>Can this be effectively funded through country allocations?</b>      | Part of the GMS response is funded directly from malaria country allocations, however these alone are insufficient to achieve regional malaria elimination at scale. It is not possible to factor in drug resistance into the allocation formula, and the regional component that is required to support cross-border activities, sub-regional data sharing (through WHO), and technical cooperation, cannot be funded through country allocations. The regional component also allows for service delivery to hard   |

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|   | to reach and high-risk populations in geo-politically sensitive areas through direct disbursements to non-governmental agencies with access.  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Global Fund co-financing requirements have helped to facilitate significant increases in country co-financing (domestic financing contributions in the sub-region have increased by 200% since 2014), enhancing the likelihood of long-term sustainability. |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | No.   |

## Evolution of the Catalytic Priority in 2020-2022

| Progress to date for 2017-2019   |   |
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| <b>Budget</b> <i>Approved out of total available<sup>15</sup></i><br>\$119m (out of \$119m)<br>Note: The total GMS elimination budget inclusive of country allocations is \$243m.  | <b>Fund Recipient:</b> Regional Coordinating Mechanism, CCMs of Myanmar, Thailand, Lao People's Democratic Republic, Cambodia, Vietnam  |
| Progress Update  | Expected Outcome  |
| Countries plan to distribute long-lasting insecticidal nets, to maintain 100% coverage among the highest risk populations.<br>An extensive network is being established to conduct test, treat and track malaria cases, especially amongst traditionally underserved at risk groups including forest going populations.<br>Innovating to drive to zero by deploying all tools currently available and new tools as they become ready, including addressing Plasmodium vivax. | Set-aside funding has been able to address drug resistance and focus on elimination at scale.<br>GMS catalytic funding has led to significant reductions in malaria cases and deaths, and has leveraged significant additional resources to date. |

## Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The objective will remain the same. Lessons learned from the current implementation period will feed into the next allocation period.

## What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Significant effort is being dedicated to ensure sustainability in the next period. A primary focus is on integrating the malaria specific workforce into the overall health architecture. Community Health Workers (CHWs) need to become polyvalent and maintained by domestic funding sources. Domestic resource commitments have already significantly increased by more than 200% since 2014.

## Notes

The grant has also led to robust cross-border collaboration supported by the Regional Steering Committee (RSC); strengthened surveillance and community health systems beyond malaria interventions; spurred innovations; and built partnerships across sectors. The grant has demonstrated that disease specific financing and systems strengthening are achievable.

<sup>15</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



# Addressing Insecticide Resistance through Accelerated Introduction of New Nets

**Proposal for 2020-2022**

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Countries through Secretariat management or partnership with another financier

**Proposed Budget:** USD 50 million

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| <b>Objective and Rationale:</b>   | To address the growing threat of insecticide resistance, particularly pyrethroid resistance, by piloting WHO prequalified insecticide treated nets (ITNs) treated with more effective insecticides to: i) Allow early access in key countries ii) Expand evidence on the cost-effectiveness of new nets compared to standard pyrethroid only nets, to inform prioritization decisions; and iii) Support market shaping activities to bring prices down to affordable levels.   |
| <b>Epidemiological context and country selection</b>                    | The currently recommended ITNs are treated with pyrethroid insecticides. Resistance to pyrethroid insecticides is now widespread globally, and is particularly serious in West Africa, and in several countries in Central, East and Southern Africa. Data on the intensity of resistance is patchy, however, there is a growing risk that resistance may now be compromising the effectiveness of pyrethroid-only ITNs. Country demand for these nets is strong; in the countries selected for pilots, areas with confirmed pyrethroid resistance and moderate to high malaria endemicity will be prioritized.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO4: Mobilize increased resources  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets<br>KPI-12: Introduction of new technologies  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Access to WHO prequalified ITNs with increased efficacy against insecticide resistant mosquitoes made available in ~10 countries</li> <li>• Evidence of impact and cost effectiveness compared to standard pyrethroid treated nets generated to support development of WHO normative guidance on country prioritization</li> <li>• Price reductions for new nets achieved</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Incentivize increased funding from allocations to priority areas</li> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> </ul> <p>This priority is a critical set-aside investment that catalyzes the product development pathway for new tools to address insecticide resistance and supports early access to these potentially highly impactful tools in key country locations, within an evaluation framework that will generate data to inform country decision making in the next cycle.</p> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li>☑ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Addressing insecticide resistance in high burden African countries is imperative to protect the gains against malaria incidence and mortality globally. Proactively supporting innovative products provides a clear signal to ensure continued market interest in innovation around the tools that we will need if insecticide resistance is to be addressed. Insecticide resistance has been identified as a key risk in the Global Fund risk framework, strategy and replenishment investment case.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | PMI, the Gates Foundation and Unitaaid continue to be committed to supporting work in this area through their own mechanisms; however, funding levels for the upcoming cycle are unknown at this time. Coordination and involvement of all key partners in this area, including the Global Fund, is important to achieve best impact.  |

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| <b>Can this be effectively funded through country allocations?</b>  | No, it is not possible to factor insecticide resistance into the country allocations.<br>This priority focuses on early adoption and market shaping for nets that are WHO prequalified, but not yet included in WHO policy guidance with a justification of their higher cost. The pilots allow: early access in strategic locations; evidence building of cost-effectiveness to inform future price negotiations and country decision making; and leveraging of volumes to prompt price reductions. This work is independent from specific country grants but will benefit all malaria endemic countries in upcoming cycles, once WHO policy is in place and scale up of these products is underway. |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | The Global Fund market shaping strategy focuses on approaches to procurement and sourcing that help maintain a market environment that is supportive of innovation. Additionally, the Global Fund supports approaches to managing insecticide resistance by supporting Indoor Residual Spraying (IRS) with effective insecticides and use of pyrethroid and PBO nets where affordable and appropriate.  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022?</b>                                   | No  |

### Evolution of the Catalytic Priority in 2020-2022:

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| <b>Progress to date for 2017-2019</b>  |   |
| <b>Budget</b> <i>Approved out of total available<sup>16</sup></i><br>\$35m (out of \$35m)<br>\$33m funds pilots with operational research and randomized controlled trials, managed through a UNITAID grantee.<br>\$2m supports integration with Global Fund systems, grants, and a coordination function.   | <b>Fund Recipient:</b><br>Matching Fund: UNITAID<br>Strategic Initiative: Secretariat   |
| <b>Progress Update</b>   | <b>Expected Outcome</b>   |
| This activity is on track. Partnership agreements are all in place and negotiations with the first manufacturer involved are completed for 2019 orders. Procurement is underway for 2019 orders. Operational planning for pilots is on track for the roll-out of the new nets in July in Burkina Faso, Rwanda in July/August, Mali in Q4 and Mozambique in early 2020. Cross partner coordination is strong and the wider partnership continues to be closely involved and supportive. | The MF and SI components operating together have successfully catalyzed significant additional funding from other partners, which is critical for lowering costs and accelerating availability to address the growing risk of insecticide resistance.<br><br>Partnership between GF, Unitaids, PMI and Gates Foundation is functioning well, leveraging resources and fostering other dialogue in the LLIN space. |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The new PBO nets supported under the current SI will likely reach the WHO pre-policy stage by the end of 2021/2022. New products expected on the market that will be addressed in the 2020-2022 cycle and will also be at the pre-policy stage. The objectives therefore remain the same while the range of products addressed will expand i.e. the focus continues to be on generating the evidence base to support in-country prioritization decisions in the future.

### For matching funds and multi-country, how will country selection differ?

The SI will continue to prioritize countries with moderate to high malaria burden, confirmed pyrethroid resistance, and an environment conducive to concurrent evaluation. The most recent data will be used to inform decision making as the project progresses. While the 2017-2019 operationalization approach remains effective, this may be modified to allow greater integration into Global Fund systems. This approach would better leverage Global Fund procurement pooling capacity and structures and allow for interaction with the

<sup>16</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

pilot countries as they plan for Global Fund funded LLIN campaigns. Lessons learned at the end 2019 after the first roll-out of nets will also be considered

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Mainstreaming of new generation vector control tools will depend on a cogent WHO policy framework for the sequential prioritization of varied aspects of new vector-control tools. However, even more tools may come to the challenging space between development and early deployment, and this may require on-going set aside funding.

# Regional Coordination and Targeted Technical Assistance for Implementation and Elimination

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative **Recommended Recipient of Funds:** Roll Back Malaria Country/Regional Support Partner Committee (CRSPC)

**Proposed Budget:** USD 10 million

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| <b>Objective and Rationale:</b>                                      | To increase the program quality of malaria programs through: <ul style="list-style-type: none"> <li>i) Strategic regional coordination mechanisms in southern Africa, south-east Asia and the Sahel regions.</li> <li>ii) Resources through RBM partnership: CRSPC malaria support (equivalent to the “malaria situation room” and Alliance for Malaria Prevention (AMP) (<i>note: some activities were supported through the South-South Technical Support catalytic funding in 2017-2019 cycle</i>))</li> </ul>   |
| <b>Epidemiological context and country selection</b>                 | Technical support to all Global Fund eligible malaria endemic countries globally, including high-burden countries and the facilitation of sub-regional coordination and collaboration around malaria elimination in the Sahel, E8 and SE Asia   |
| <b>Global Fund Strategic Objective(s) this priority contributes:</b> | SO1: Maximize Impact against HIV, TB and malaria  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>    | KPI-1: Performance against impact targets   |
| <b>Expected Outcomes</b>   | <ul style="list-style-type: none"> <li>• Coordinated and strengthened regional efforts towards national-level and subnational elimination; enhanced cross-border collaboration in support of effective and cost-effective implementation</li> <li>• Strengthened program quality and implementation including support to GF applications, mock TRPs and addressing key implementation bottlenecks</li> </ul>  |
| <b>Expected Catalytic Effect</b>                                     | <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p><input checked="" type="checkbox"/> Enhance coordinated response for multi-country contexts</p> <p>On-going regional malaria efforts have attracted significant partner support for strengthening in-country geographical targeting and the cross-border responses, with a focus on driving innovative programming approaches across regions. The RBM partnership CRSPC coordinates across countries and ensures that country resources engage with and maximize the Global Fund’s multi-country regional investments. This has been instrumental in delivering quality, prioritized malaria funding requests and resolving implementation bottlenecks to improve program performance. The support provided covers malaria control and elimination, complementing the technical and normative guidance provided by WHO.</p> <p>The Alliance for Malaria Prevention’s primary focus is the provision of quality assured in-country technical support and global guidance on LLIN distribution; this support covers operations, logistics, communications, M&amp;E, and capacity building and is critical to program effectiveness, noting that a significant portion of GF malaria allocations are invested in LLIN campaigns.</p> |
| <b>Risk if this priority is not funded</b>                           | <p><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</p> <p>The Global Fund, partners and country governments have invested significant resources to ‘shrink the map’ in southern African and more recently in the Sahel through evolving regional mechanisms that have catalyzed increased efficiency and coordination. These mechanisms address knowledge gaps and facilitate regional approaches, supporting strategic decision-making in country programs and Ministries of Health who typically have competing priorities; there is significant programmatic risk of if these investments do not continue.</p> <p>The CRSPC support has been invaluable to national malaria control programs and covers both technical assistance (TA) to ensure quality Global Fund funding request/grant-making process, as well as the resolution of key operational bottlenecks. The demand from countries for AMP support has increased as programs improve the</p>   |

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|   | coverage and quality of their LLIN campaigns. Country grants only cover country level technical assistance needs, and are not required to adhere to global level quality assurance and guidance will not be provided. The introduction of different types of nets (PBOs, etc.) presents additional challenges, where additional support and guidance is critical. As the bulk of Global Fund malaria resources support campaigns, ensuring quality implementation is critical.  |
| <b>Other major funders and initiatives for this priority</b>  | Regional initiatives: BMGF (bulk of support goes for implementation of activities)<br>CRSPC: US government provides ~US\$3 million to address Global Fund bottlenecks, and fund sub-regional meetings to share best practices.<br>AMP: PMI, IFRC, Rotary International, UN Foundation (approximately \$1m)  |
| <b>Can this be effectively funded through country allocations?</b>  | No, this priority cannot be funded through country allocations, which usually target the areas with the highest malaria burden to provide the most impact on morbidity and mortality. This focus should be maintained in allocations and complemented with regional initiatives that allow countries to also prioritize elimination.<br>CRSPC support for grant-funding requests sits outside of country allocations, while CRSPC TA that addresses implementation bottlenecks operates through a triage system that identifies other potential resources (including grant resources) to address issues. Core CRSPC funds are only used when no other resources are available.<br>Specific AMP country-level support is funded through allocations, but this is insufficient to meet the total need and cannot be rapidly deployed in response to unexpected needs. The quality assurance and global level guidance cannot be provided through country grant funds. |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Considerable efforts have been made to improve the efficiency of the funding application and grant-making process. CRSPC support contributes to these processes and continues to improve on the quality and timely delivery of requests.  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022?</b>                                   | AMP support for the 'Addressing insecticide resistance through accelerated introduction of new nets' will be required as was done through the previous cycle.   |

### Evolution of the Catalytic Priority in 2020-2022

| Progress to date for 2017-2019  |   |
|---|---|
| <b>Budget</b> <i>Approved out of total available<sup>17</sup></i><br>\$2.6m<br>(out of the \$ 14m for South to South Learning SI)   | <b>Fund Recipient:</b> RBM partnership support is currently covered under South to South Learning   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>   |
| Support has been provided to countries to ensure that the countries were supported to submit high quality and impactful malaria applications. Over 90% of malaria applications were submitted in the first two rounds of the application process, allowing sufficient time for grant-making, avoiding breaks in programming and allowing for timely procurement decisions. Support to addressing grant implementation bottlenecks is ongoing but has included support to addressing malaria upsurges, procurement bottlenecks and addressing TRP recommendations. | Strengthened program quality and implementation including support to GF applications, mock TRPs and addressing key implementation bottlenecks |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

Support provided by the CRSPC in grant applications is expected to continue and will include local and international consultant support, support for in-country dialogue processes, orientation meetings and "mock" Technical Review meetings to allow country peer review of draft malaria proposals. Support will also continue to

<sup>17</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

be provided to address implementation bottlenecks including LLIN distribution support through the Alliance for Malaria Prevention. Support to sub-regional co-ordination of sub-regional malaria elimination will be embedded into existing sub-regional coordination structures such as the regional economic communities.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?** Not applicable

# Malaria E-2025 Initiative

## Proposal for 2020-2022

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** WHO

**Proposed Budget:** USD 8 million

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| <b>Objective and Rationale:</b>   | Support the Global Technical Strategy goal of eliminating malaria in at least 35 countries by 2030, through cross-cutting support into countries with the potential to eliminate by 2025 to i) Reduce malaria to zero in at least 10 countries ii) Prevent re-establishment in all countries that have eliminated iii) Provide WHO certification of elimination in a subset of countries that achieved at least three consecutive years of zero indigenous cases.  |
| <b>Epidemiological context and country selection</b>                    | Low Burden Malaria Countries   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Aligned with the Global Technical Strategy goal of eliminating malaria in at least 35 countries by 2030, the SI will transition to an E-2025 initiative focused on accelerating progress towards elimination in low burden countries to reach the 2025 milestone of 10 additional countries that have eliminated malaria.</li> <li>Technical assistance and program reorientation to enable countries to achieve and sustain malaria case reductions from 2015 baseline.</li> <li>Support to a STOP-malaria initiative that provides subnational consultants to areas of remaining transmission in eliminating countries.</li> <li>Cross-border coordination platforms based on joint situation analyses in special malaria intervention zones for transmission foci that cross international borders.</li> <li>Provide WHO certification of elimination in a subset of countries that have reached zero cases for three consecutive years.</li> <li>Prevent re-establishment of transmission through tailoring interventions to areas of high malariogenic potential.</li> </ul> |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p><input checked="" type="checkbox"/> Enhance coordinated response for multi-country contexts</p> <p>The current SI is implemented using both a deliverable and outcome-based approach (case reductions and certification), which reflects the collective effort of country programs and partners.</p>  |
| <b>Risk if this priority is not funded</b>                              | <p><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</p> <p>There are low burden countries and those that have recently eliminated malaria, where there is the potential for resurgence and re-establishment of transmission.</p>   |
| <b>Other major funders and initiatives for this priority</b>            | Complementary funding from the Gates Foundation supports WHO staff working on malaria elimination at both headquarters and regional focal points in addition to activities to strengthen policy recommendations in elimination settings. Continued funding is under negotiation for 2020-2021.   |
| <b>Can this be effectively funded through country allocations?</b>      | No, this priority cannot be funded through country allocations as it is supporting WHO committees and processes, provision of technical assistance and capacity building support to countries. Additionally, part of this technical support is also provided to countries that are not eligible for the Global Fund malaria allocation.  |



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| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Elimination is one of three key thematic areas for catalytic priorities to contribute to achieving malaria elimination. |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | N/A   |

## Evolution of the Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>  |  |
|--|--|
| <b>Budget</b> <i>Approved out of total available<sup>18</sup></i><br>\$7m (out of \$7m)  | <b>Fund Recipient:</b><br>WHO support to 21 low-burden countries   |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| <p>Highlights from Year 1 include: Paraguay was certified malaria-free by WHO in 2018. China and El Salvador reached zero indigenous cases in 2017.</p> <p>Two Global Fora of malaria-eliminating countries brought together national program representatives of the 21 E-2020 countries to share their lessons learned and experiences related to elimination of malaria. A 10-member Malaria Elimination Oversight Committee (MEOC) was established to guide elimination strategies and program implementation. The committee met with the 7 countries expected to achieve elimination by 2020 and formulated a series of recommendations to WHO and eliminating countries. National malaria elimination committees have been established in 6 countries (Algeria, Botswana, China, Iran, Saudi Arabia South Africa) and 6 additional countries have committees in the planning stages (Bhutan, Ecuador, Mexico, Nepal, Suriname and Timor-Leste). Plans for roadmap development in each country are underway. All three WPRO E-2020 countries (China, Malaysia and Republic of Korea) contribute aggregated monthly data on a quarterly basis to a regional data platform. The southern African countries (Botswana, Eswatini and South Africa) report aggregate monthly data to a new regional data platform in Harare at the Inter-Country Support Team office.</p> | <p>By 2025:</p> <p>Reduce malaria to zero in at least 10 countries;</p> <p>Prevent re-establishment in all countries that have eliminated;</p> <p>Provide WHO certification of elimination in a subset of countries that achieved at least three consecutive years of zero indigenous cases.</p> |

## Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

Building on the progress of the current SI, continued Global Fund financing will support launching the launch of the next initiative E-2025, which focuses on accelerating progress towards elimination for 10 additional countries that currently have a low to moderate malaria burden by 2025. The objectives will essentially be the same but refinements in the approach to the current structure and scope of activities will be made based on the experience and lessons learned from the E-2020 initiative. In addition, new support will be provided to a program through targeted technical support from consultants to subnational areas eliminating the remaining foci of malaria transmission.

## What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond the 2020-2022 allocation period?

One major focus of the SI is to support re-orientation for eliminating countries along the elimination spectrum to include strategies and systems for prevention of re-establishment of malaria transmission, including addressing sustainability and transition.

<sup>18</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



# Malaria Elimination in Southern Africa

## Proposal for 2020-2022

**Recommended Modality:** Multi-country

**Recommended Recipient of Funds:** National Programs

**Proposed Budget:** USD 20 million

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| <b>Objective and Rationale:</b>   | This supports two regional mechanisms in Southern Africa: E8 and MOSASWA, to catalyze cross-border engagement and implementation to achieve malaria elimination.   |
| <b>Epidemiological context and country selection</b>                    | Countries in Southern Africa are collaborating on an initiative to eliminate malaria from within their borders. Four of these “frontline” countries (Botswana, Namibia, South Africa, and Swaziland) have reduced malaria transmission to the point where elimination in the short term is feasible, conditional on a simultaneous regional control effort to reduce malaria transmission across the sub-region. Malaria transmission dynamics among these eight countries are highly interconnected, linked through population movement and malaria ecologies. As a result of this interconnectedness, the “frontline” countries have continually battled high importation of the disease from their four northern neighbors (Angola, Mozambique, Zambia and Zimbabwe). “Second line” countries experience notably higher malaria transmission, which serves as a continued reservoir of infection that is subsequently imported into the four eliminating countries, preventing them from achieving elimination. The frontline countries require support to define their malaria foci and fully implement case and focus investigations and map their malariogenic potential to ensure adequate surveillance and vector control. |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets  |
| <b>Expected Outcomes</b>  | Malaria Elimination in the 4 front line countries by 2025  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Incentivize increased funding from allocations to priority areas</li> <li>☑ Leverage additional funding outside of Global Fund</li> <li>☑ Enhance coordinated response for multi-country contexts</li> </ul> <p>Continued coordinated financing with other donors to achieve phased elimination, with resources directed to country level, especially in low burden areas in high burden countries.</p>   |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li>☑ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Progressively achieving malaria elimination in the lower burden areas of higher-burden countries is critical to achieving malaria elimination in the 4 frontline E8 countries. Without support to malaria elimination in the sub-region, there remains a risk of regional resurgence and a reversal of the gains to date.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | <ul style="list-style-type: none"> <li>• The Bill and Melinda Gates Foundation is contributing to malaria elimination activities in Southern Mozambique through additional support for the MOSASWA grants to expand their geographic scope to encompass Maputo, Inhambane and Gaza provinces in Southern Mozambique.</li> <li>• The Global Fund’s investment in a regional approach has mobilized malaria financing from governments that are not eligible for country allocations. The South African government has committed an estimated USD 1.1 million per year to sustain malaria border units and approximately USD 2.2 million per year towards a co-financing mechanism—the first of its kind—to support malaria interventions in neighboring southern Mozambique.</li> <li>• Good-Bye Malaria, as part of a unique public private sector collaboration is contributing US\$ 4 million to the MOSASWA grant and this level of investment is expected to continue.</li> </ul>  |
| <b>Can this be effectively funded through country allocations?</b>      | <ul style="list-style-type: none"> <li>• Cross-border programming could be done through country allocations, however the overarching regional focus includes ineligible countries. Additionally, the majority of resources are directed to lower burden areas of higher burden</li> </ul>  |

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|   | countries which are not prioritized in Global Fund grants (or with resources from US PMI), with the resources from the allocation directed at the highest malaria burden areas.  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>Global Fund co-financing requirements have helped to facilitate significant increases in country co-financing, enhancing the likelihood of long-term sustainability.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>Malaria Regional Coordination and targeted TA for implementation support and elimination (SI).</li> <li>There could be a potential interaction with the Innovative Financing SI, to regionally incentivize countries to accelerate to elimination while at the same time transitioning them out of grants (via a blended financing mechanism similar to the RMEI).</li> </ul> |

### Evolution of the catalytic priority in 2020-2022

| Progress to date for 2017-2019  |  |
|---|--|
| <b>Budget</b> <i>Approved out of total available<sup>19</sup></i><br>\$20m (out of \$20m) | <b>Fund Recipient:</b> Regional Coordinating Mechanism MOSASWA, Regional Coordinating Mechanism E8   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| Not applicable – grants have just been/or are in process of being signed.                 | Catalyzed cross-border collaboration and joint programming for malaria control and elimination. Has also leveraged additional funding from the private sector, Gates Foundation and enhanced domestic resource commitments, amounting to more than double the value of the Global Fund investment. |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

Regional coordination and implementation will have two streams of funding, with the majority of multi-country funds directed to the national malaria control programs. Some funding may be programmed via RBM to help facilitate regional collaboration.

### For matching funds and multi-country, how will country selection differ?

Support will be maintained to the same countries.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Domestic resource commitments are expected to contribute to the sustained outcomes within the sub-region. Sub-regional innovative financing approaches similar to the successful approach in Meso-America are also being explored.

<sup>19</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

# Malaria RTS,S/ASo1 Vaccine

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** WHO MVIP

**Proposed Budget:** USD 8 million

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| <b>Objective and Rationale:</b>   | Pilot implementation of the RTS,S/ASo1 malaria vaccine in selected areas of sub-Saharan Africa to support the rigorous evaluation of feasibility of implementation, impact, and safety in the context of routine use. Evidence generated by the Malaria Vaccine Implementation Program (MVIP) will inform a policy recommendation by WHO regarding its wider use in sub-Saharan Africa.  |
| <b>Epidemiological context and country selection</b>                    | Vaccine implementation by ministries of health's routine immunization programs, and evaluations by in-country partners, are to commence in 2019 and continue through 2023 in areas of moderate to high malaria parasite transmission, as selected by each of three countries participating in the program: Ghana: 76 districts, Kenya: 50 sub-counties; Malawi: 11 districts.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO4: Mobilize increased resources  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets<br>KPI-12: Introduction of new technologies  |
| <b>Expected Outcomes</b>  | Enable a WHO policy recommendation on the use of the RTS,S/ASo1 malaria vaccine in young children in sub-Saharan Africa, based on evidence generated by the pilot implementation* and associated evaluations.<br><br>*RTS,S/ASo1 has received a positive scientific opinion from the European Medicines Agency, WHO Expert Committees have recommended pilot implementation to further evaluate its public health use as a complementary malaria control tool.   |
| <b>Expected Catalytic Effect</b>  | <input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund<br><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives<br><br>This set-aside funding to the Malaria Vaccine Implementation Program will support the pilot introduction of, and evidence generation on a preventive malaria vaccine implemented in concert with existing malaria prevention and control interventions. RTS,S/ASo1 is the first and, to date, the only vaccine to show partial protection against malaria in young children. Support for the MVIP in the post-2020 period will help advance one such potential new tool and demonstrate the Global Fund's commitment to supporting malaria goals and priorities. The evidence generated will also provide critical information about how this new tool can support existing Global Fund investments for prevention and treatment.   |
| <b>Risk if this priority is not funded</b>                              | <input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems<br><br>The MVIP was divided into two phases to account for donor funding cycles; key project outcomes will only be achieved in Phase 2. Failure to provide resources for Phase 2 will endanger the implementation of the second phase of the pilot, required to secure the evidence needed for a WHO policy recommendation.<br><br>Completion of the pilot implementations and evaluations in the post-2020 period is required to provide the critical evidence on feasibility of vaccine delivery, safety, and impact, to inform a WHO policy recommendation. Information on vaccine impact on the uptake of other vaccines, malaria control measures and care seeking, acceptability, and incremental cost and cost-effectiveness will be collected during the post-2020 period. Not continuing this priority increases the risk of a funding shortfall and thus imperils completion of the RTS,S pilot implementation. In a worst-case scenario, this would result in termination of the program at a time when the evidence is not sufficiently conclusive to inform policy decisions, and consequential abandonment of what may be an important new intervention to add to current malaria control measures to accelerate the reduction in malaria morbidity and mortality. Termination of the program due to lack of funding would send a negative signal to product developers. |

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|   | Consequently, the activities to be conducted in the 2021-2023 period are essential to provide critical evidence for a WHO policy recommendation, for subsequent decision-making by malaria-affected countries, and for subsequent decision-making by funders about financing of this potential new intervention.   |
| <b>Other major funders and initiatives for this priority</b>  | <p>For 2017 – 2020 three-way partnership to fund Phase 1: Unitaid (\$9.6 million); Gavi (\$24.6 million); The Global Fund (\$15 million). For 2020 – 2023: ‘Phase 2’ budget estimate of \$34.9 million. The initial funding of US\$49.2 million for the preparation and commencement of the MVIP, covering activities through 2020 (“Phase 1”), has been mobilized through an unprecedented collaboration among Gavi, the Vaccine Alliance (\$24.6 million), the Global Fund (\$15 million), and Unitaid (\$9.6 million). This support has been complemented by in-kind contributions from WHO; direct co-funding and in-kind contributions provided by PATH (with funding from the Bill &amp; Melinda Gates Foundation); and the donation of the vaccine for the MVIP by GSK.</p> <p>The MVIP was from the outset designed as a 6-year Program. This timeframe has been essential to prepare, introduce the vaccine, and evaluate the feasibility, impact and safety of the vaccine within the context of routine immunization programs. Rather than motivated by any programmatic or scientific logic, the division into Phase 1 and Phase 2 was driven by the need to align with Funders’ funding cycles.</p> <p>Additional funding is being sought to ensure continuation of the MVIP post-2020 and completion of the evaluations, now expected by 2023. The desire is to continue the successful collaboration with current MVIP Funders. The Unitaid Board has already approved \$3.6 million for Phase 2 based on the initial project budget. Discussions among the funders are already underway regarding the governance steps needed to secure funding for Phase 2. For 2021-2023, a total budget of \$34.9 million is being requested.</p> |
| <b>Can this be effectively funded through country allocations?</b>  | No, this priority cannot be funded through country allocations, as it is a centrally coordinated effort involving global, regional, and country-level partners across three countries.   |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Not applicable   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | No   |

#### Evolution of the Catalytic Priority for 2020-2022:

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| <b>Progress to date for 2017-2019</b>   |  |
| <b>Budget</b> <i>Approved out of total available<sup>20</sup></i><br>\$15m (out of \$15m)   | <b>Fund Recipient:</b> WHO   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| <p>Following intensive preparation at global, regional, and country levels, vaccinations in selected areas of Ghana, Kenya, and Malawi, led by ministries of health through their national immunization programs, are due to begin in Q1–Q2 of 2019. Key milestones include:</p> <ul style="list-style-type: none"> <li>• Approval for use of the vaccine by national regulatory authorities</li> <li>• Development of training materials and start of health worker trainings</li> <li>• Development and field testing of communication materials for parents, health workers and communities</li> </ul> | Evidence generated by the implementation and associated evaluations will be accumulating over time, including data on safety, health impact, and feasibility, as well as evidence of any impact on other healthcare-seeking and malaria intervention-specific behaviors. This data will be shared with the Global Fund |

<sup>20</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

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| <ul style="list-style-type: none"> <li>• Adaptation of EPI monitoring and reporting tools</li> <li>• Forecasting and ordering of supplies.</li> <li>• Vaccine arrived in Ghana.</li> </ul> <p>Preparations for robust evaluations of the vaccines and their implementation have also been ongoing and the data collection activities is now commencing in the three countries.</p> <p>Key milestones include:</p> <ul style="list-style-type: none"> <li>• Development and approval of evaluation protocols</li> <li>• Identification and contracting of evaluation partners</li> <li>• Identification of sentinel hospitals</li> <li>• Hiring of evaluation staff and trainings started</li> </ul> | <p>as it become available and will also inform changes to program implementation, as appropriate.</p> <p>While initial data on feasibility of reaching children with 3 doses of RTS,S will be available by end of phase 1 (Dec 2020), the required data on safety and impact will not, and thus, requires continuation of the pilot through 2023.</p> |
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**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

The MVIP was designed, from the outset, as a 6-year program. Rather than motivated by any programmatic or scientific rationale, the division into Phase 1 and Phase 2 was driven by the need to align with Funders' funding cycles. The period beyond 2020 will focus on continued vaccine delivery in the three countries and data collection to answer the key questions on feasibility, impact, and safety to inform an updated WHO policy recommendation on the use of the RTS,S/ASo1 malaria vaccine in young children in sub-Saharan Africa. Vaccine delivery (dose 1) must continue for a minimum of 30 months to generate data on the key questions. A Working Group has been convened to develop a Framework for Policy Decision on RTS,S/ASo1 to consider and align on the use of data collected during the pilot implementations.

In the absence of safety or other concerns, and in keeping with WHO's recommendation of a phased pilot introduction and not an additional trial, Ministers of Health in the pilot countries may elect to continue offering the RTS,S vaccine in the pilot areas beyond the minimum 30 months of vaccination required to assess the key questions on feasibility, impact and safety, utilizing the donated doses of RTS,S. If a country elects to stop offering RTS,S/ASo1 through routine services after the minimum of 30 months, provisions will have to be made to ensure that children who received at least one dose of RTS,S/ASo1 can complete the recommended 4-dose schedule.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

The program is designed for a 6-year implementation period ending in 2023.

# TB

## Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment

### Proposal for 2020-2022:

**Recommended Modality:** Matching Funds

**Recommended Recipient of Funds:** Countries

**Proposed Budget:** USD 150 million

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| <b>Objective and Rationale:</b>   | <p>Building on the success of the focused nature of the previous catalytic priorities for TB, the 2020-2022 priority is to incentivize country allocations to find and successfully treat people with TB who face barriers and are currently missed at different points in the TB care cascade through innovative approaches in 20 priority countries. This includes treatment of drug-sensitive TB (DS-TB), drug-resistant TB (DR-TB), children with TB and treatment of TB infection.</p> <p>Finding and treating people with TB who are missed is essential for epidemiological and political impact. The UNHLM target for TB for 2022 require that all such missing people are identified and treated. This is aligned with the Global Fund Strategy 2017-2022 and the “FIND. TREAT. ALL.” joint initiative of the Global Fund, WHO, Stop TB Partnership, countries and partners.</p>  |
| <b>Epidemiological context and country selection</b>                    | <p>Throughout the TB care cascade, a significant number of people are missed by national programs at different points in this process. Globally, of people who fall ill with TB each year, currently 3.6 million people, including 420,000 with DR TB and 600,000 children are missed (2017). In Global Fund eligible countries, there are 3.4 million missing people with TB, including 300,000 with DR TB and 440,000 children. This contributes to continued TB transmission, sustained TB mortality, escalation of drug resistance and continued economic burden on people with TB and their families.</p> <p>In addition, among People Living with HIV (PLHIV) and contacts of people with TB, preventive therapy is a globally recommended intervention with high impact. In most countries however, eligible people are not receiving TB preventive treatment, contributing to a larger pool of people developing TB. For example, globally only 23% of eligible children received preventive treatment in 2017.</p> <p>Countries with the largest number of missing people with TB, including drug-resistant forms and childhood TB, will be selected. These countries contribute to 83% of the missing people with DS-TB cases, 59% of the missing people with DR-TB cases, 83% of the missing TB cases on children and 75% of the contacts to be placed on TB preventive treatment (Children and Adults) based on UHLM targets.</p> <p>The following 20 countries have been identified based on 2017 global epidemiological data and other relevant context; Bangladesh, Cameroon, Cambodia Democratic Republic of Congo, Ghana, Ethiopia, Kenya, India, Indonesia, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Uganda, Ukraine, Viet Nam and Zambia. The budget for each country will be determined based on their epidemiological profiles and country context.</p> |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-1: Performance against impact targets</p> <p>KPI-2: Performance against service delivery targets</p>  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Support to reach the Global Fund targets of finding and treating 33 million TB patients by 2022 in line with the 2017-2022 Global Fund strategy</li> <li>Support to 20 countries to achieve at least 85% of their Performance Framework targets to find and treat TB cases</li> </ul> <p><i>Note: the targeted number of the missing people with TB and those on TB preventive treatment to be finalized in discussion with the countries while setting country Performance Framework targets on the missing TB people</i></p>  |
| <b>Expected Catalytic Effect</b>  | <p>☑ Incentivize increased funding from allocations to priority areas</p>  |



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|   | <p>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p>☑ Enable more effective use of country allocations</p> <p>Increased focus on finding missing people with TB will incentivize countries to implement innovative approaches to find and treat people with TB that would be missed through routine programming. While routine programmatic activities need to be optimized to cater to most patients, special initiatives using innovative approaches are required to cater to the marginalized and most affected people with TB.</p> <p>New point-of-care diagnostics, strategies, systems and application of tools including digital technology for finding, supporting and successfully treating missing people with TB requires additional resources.</p>  |
| <b>Risk if this priority is not funded</b>  | <p>☑ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</p> <p>This catalytic funding aims at finding additional 1.5 million people with TB, thereby closing the gap. If this is not continued, we will lose the current momentum and risk reversing the substantial gains achieved with the current catalytic funding; global targets, including those in the UNHLM TB declaration, will not be achieved.</p> <p>Allocations for TB in these countries are not sufficient to innovate and catalyze actions for finding missing people with TB, which include populations that are difficult to reach due to geographical, social, financial and cultural barriers. Patients seeking care in private and public health care facilities with suboptimal access to TB diagnostics and care, and increased risk of drug resistance pose substantial risk for ending TB. Without catalytic actions and funding, UNHLM targets for TB treatment and prevention will not be achieved.</p>                                       |
| <b>Other major funders and initiatives for this priority</b>  | <ul style="list-style-type: none"> <li>• Global Fund accounts for 65% of external funding for TB, the remaining mainly comes from the US government.</li> <li>• Domestic funding generally doesn't allow for innovations and risk taking</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>• This cannot be funded effectively through country allocations.</li> <li>• Country allocations for TB are focused on diagnosis and treatment of patients with the current coverage levels. Implementing only country allocation will continue to miss people with TB to the same extent as in the past.</li> <li>• To find the people missing from care innovative approaches are needed with a risk appetite. This is only possible via matching fund which will incentivize innovation and increase risk appetite of TB programs and partners.</li> <li>• Experience in 2017-2019 cycle has shown that matching funds pushed TB case finding to number one priority at the country level, it motivated TB programs and aligned all in-country partners to take action towards finding the missing people with TB.</li> <li>• Catalytic funding has generated higher ambitions in most countries as demonstrated by higher 2017-2019 targets, which was 25% higher compared to the previous period.</li> </ul> |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• Global Fund information notes provide updated information on policies and procedures as well as priorities.</li> <li>• Global Fund KPI Monitoring facilitates the prioritization.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• Data Strategic Initiative</li> <li>• CRG Strategic initiative</li> <li>• Service Delivery Innovations with Lab Strengthening and South-South Learning</li> <li>• TB Preventive Treatment (TPT) Strategic Initiative: To ensure that the PLHIV with TB are provided with TB preventive treatment</li> </ul>   |

## Evolution of the Catalytic Priority in 2020-2022

| Progress to date for 2017-2019  |  |
|---|--|
| <b>Budget</b> <i>Approved out of total available<sup>21</sup></i><br>\$94.9m (out of \$115m)  | <b>Fund Recipient:</b> Bangladesh, DRC, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania and Ukraine. |
| Progress Update   | Expected Outcome   |
| <ul style="list-style-type: none"> <li>2018 annual TB case notification results (yet-to-be validated) vs 2015 annual TB case notification (baseline) shows a cumulative increase of over 920,000 additional cases from the 13 countries</li> <li>These yet-to-be validated 2018 results show that countries are cumulatively achieving about 90% of their PF targets. The initial results show that countries are on course to achieve 80% of their cumulative PF targets by end of 2019</li> <li>Key barriers for missing cases identified and prioritized</li> <li>Country Specific Plans developed</li> <li>Tools and approaches to find missing cases identified / developed</li> </ul> | <ul style="list-style-type: none"> <li>Find additional 1.5 million TB cases by 2019 compared to the 2015 baseline</li> </ul>                       |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The proposed catalytic priorities for 2020-2022 will focus on finding people missing from TB which has been the focus of the current cycle 2017-2019. The new area of focus will be TB preventive treatment, along with greater emphasis on DR-TB.

Evidence on effectiveness of preventive treatment for better survival of PLHIV is available for many years. However new modelling on impact of various interventions for rapidly declining incidence of TB has clearly identified treatment of TB infection as a major determinant. WHO has published updated guidelines on preventive treatment. UNHLM declaration clearly identified this as the main priority area.

Expected improvements based on lessons learned:

- To align the timing of the catalytic funding and the grants. In the current cycle, catalytic funding processes were delayed and led to misalignment with grants.
- Provide clear guidance to countries on how to prioritize the catalytic funding and develop targeted interventions based on the epidemiological profile and country context, and more focused use of matching funds, including more innovative approaches.
- Use the experiences and best practices of the current cycle to inform planning.
- More targeted interventions on drug-resistant TB and TB preventive treatment (TPT) which was not the main focus in 2017-2019.
- Prioritize a proportion of matching funds to address TB prevention.
- Identify clear targets for different groups such as children with TB

### For matching funds and multi-country, how will country selection differ?

The countries with the largest number of missing people with TB have been identified. Of the selected countries, 13 countries will continue from the 2017-2019 period and 7 new countries will be added to have a global reach, in line with the UNHLM declaration.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

- Tools and approaches developed will be adopted by the countries and included in the routine intervention package.
- Capacity building will be provided to countries to ensure sustainability and adoption of best practices.
- The catalytic funding priority areas will align with the priority areas under the country grant and national strategic plan activities.

<sup>21</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



# Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB

**Proposal for 2020-2022:**

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** WHO, Stop TB and other partners (TBD)

**Proposed Budget:** USD 12 million

|   |  |
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| <b>Objective and Rationale:</b>   | To address specific barriers to finding and treating missing people with TB including drug-resistant forms and childhood TB, especially among key populations and vulnerable groups; to support the development and adoption of innovative health facility and community-based approaches to accelerate efforts to find and treat missing people with TB; and increased uptake and scale-up of TB preventive treatment (TPT).  |
| <b>Epidemiological context and country selection</b>                    | <p>The SI will provide targeted TA to countries including adoption of tools and best practices in finding missing people with TB. The 20 matching fund countries will be prioritized, but support will also be provided to other countries as well based on the need. The SI will also support efforts to scale-up of TB preventive treatment in priority countries including scale-up of program quality and efficiency (PQE) initiatives.</p> <p>The SI in the 2017-2019 grant cycle has established systems for reaching out to the marginalized population, engagement of private sector, analysis and optimizing of case detection in public/private sector addressing rights and gender issues etc. As the programs and grant implementers increase efforts in finding missing people with TB, there is a need to ensure equity and that more attention is provided to people living in the most disadvantageous conditions. Innovative approaches for addressing migrants, slum dwellers, prisoners, people who use drugs, tribal population, trans genders, women and children, elderly, clinically high-risk group and people who are missed within the health system etc. will be prioritized for SI.</p> <p>South-South technical collaboration for technical assistance will be prioritized.</p> |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-1: Performance against impact targets</p> <p>KPI-2: Performance against service delivery targets</p>  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Support to reach the Global Fund targets of finding and treating 33 million TB patients by 2022.</li> <li>• Support to 20 priority countries to achieve at least 85 % of their Performance Framework targets to find and treat TB cases (The exact numbers of the missing people with TB and those on TB preventive treatment to be finalized in discussion with the countries while setting country Performance Framework targets on the missing TB people).</li> <li>• Support to additional countries to identify the missing people with TB: who they are, where are they and what to be done based on their need.</li> <li>• Support to countries to adopt best practices and innovative tools and approaches.</li> <li>• Support monitoring &amp; tracking progress of finding the missing people with TB.</li> <li>• Support of TB preventive treatment (TPT) scale-up.</li> <li>• Support to Program Quality and Efficiency work streams.</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> <li>• Builds on momentum generated in the 2017-2019 period to mobilize partners towards a common objective of finding and treating missing persons with TB.</li> </ul>   |

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|   | <ul style="list-style-type: none"> <li>Will catalyze inclusion of the implementation evidence and learning to help inform development of ambitious and targeted TB NSPs.</li> </ul>  |
| <b>Risk if this priority is not funded</b>  | <ul style="list-style-type: none"> <li>☒ Programmatic risk, e.g. affecting service delivery, systems</li> </ul> <p>The SI has been key to drive and support countries to operationalize the matching funds, and has enabled countries to step up efforts to find missing people with TB. The United Nations High-Level Meeting (UNHLM) targets for finding and treating TB patients were built on the current strategic initiative approach and targets.</p>   |
| <b>Other major funders and initiatives for this priority</b>  | <ul style="list-style-type: none"> <li>USAID support to select countries</li> <li>Bill &amp; Melinda Gates Foundation support to select countries</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>No. Although implementation at the country level will be through matching funds, specialized support is needed in terms of tools development, learning across countries and targeted technical assistance.</li> <li>International collaborations for technical assistance is crucial for the right technical assistance to countries. Country grants are not conducive to the contracting mechanisms and systems for payments necessary, due to various challenges in procurement processes and payment mechanisms. Country programs have differing capacity and challenges for contracting directly for TA.</li> </ul> |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>Global Fund information notes provide updated information on policies and procedures as well as priorities</li> <li>GF KPI Monitoring facilitates the prioritization</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>Data Strategic Initiative (RSSH)</li> <li>CRG Strategic initiative</li> <li>Service Delivery Innovations (RSSH) through lab strengthening and South-South Learning</li> <li>TB Preventive Treatment: ensuring that PLHIV with TB are provided with TPT</li> </ul>   |

## Evolution of the Catalytic Priority in 2020-2022

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| <b>Progress to date for 2017-2019</b>  |  |
| <b>Budget</b> <i>Approved out of total available<sup>22</sup></i><br>\$10m (out of \$10m)  | <b>Fund Recipient:</b><br>Stop TB, WHO   |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| <ul style="list-style-type: none"> <li>2018 annual TB case notification results (yet-to-be validated) vs 2015 annual TB case notification (baseline) shows a cumulative increase of over 920,000 additional cases from the 13 countries.</li> <li>These yet-to-be validated 2018 results show that countries are cumulatively achieving about 90% of their PF targets. The initial results show that countries are on course to achieve 80% of their cumulative PF targets by the end of 2019.</li> <li>The results are encouraging. The strategic initiative countries in Asia are the main drivers for these increased additional numbers which corresponds to their comparatively high TB burden. Most countries in Africa have also increased their TB case detection, and some have already reversed the negative trend.</li> <li>The SI enabled Stop TB and WHO to provide technical support, advocacy, build capacity, monitoring and south-south technical collaborations to these countries.</li> </ul> | <ul style="list-style-type: none"> <li>Find additional 1.5 million TB cases by 2019 compared to the 2015 baseline</li> </ul> |

## Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

- The focus will be on adoption of tools and scale-up of best practices developed, capacity building and targeted TA
- Exploring options of increasing TA pool to support countries, and ensuring close co-ordination with countries
- To provide support to additional countries beyond priority countries that access matching funds

<sup>22</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

- Emphasis will also be provided to drug-resistant TB (DRTB), childhood TB and scale-up of TB preventive treatment (TPT)
- Greater importance will be given to south-to-south technical collaborations
- Program quality and efficiency will be scaled-up and mainstreamed into the grant

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

The tools and approaches developed will be scaled-up for uptake at the country level to ensure sustainability and achieve the ambitious targets set and move ahead towards ending TB on time. The approach to develop rights-based and gender responsive policies and programs will empower communities and contribute to building sustainable community systems at the country level. The focus will be to build capacity and mainstream activities into the grant and national strategic plans to ensure sustainability.

## TB Multi-Country Approaches

### Proposal for 2020-2022:

**Recommended Modality:** Multi Country Approach      **Recommended Recipient of Funds:** TBD

**Proposed Budget:** USD 40 million

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| <b>Objective and Rationale:</b>  | <p>To address cross-border issues and contribute towards harmonization of regional policies and strategies to find and treat missing people with TB. The interventions will involve reaching marginalized populations (e.g. migrants/refugees, miners) or building capacity of countries to diagnose TB through strong regional laboratory networks.</p> <p>In areas where high numbers of people or communities are mobile or migrate, there is a need for solutions that transcend national borders. There ought to be a particular focus on TB in key and vulnerable populations, including migrants, miners and nomadic populations. Building a strong laboratory network is critical not only in finding missing people with TB but also contributing to strengthen health systems. Reaching and engaging these populations and strengthening community systems for health is critical on reaching TB targets.</p> |
| <b>Epidemiological context and country selection</b>                                   | <p>TB partners have agreed to conduct an in-depth review of existing 8 multi-country grants and determine which ones can be mainstreamed into country grants and if there is a new area of focus for TB. Modality for review and determination of new areas for multi-country for TB will be worked out between TB partners and the Secretariat in 2019 to allow for operationalization in the 2020-2022 allocation period.</p>   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b>                | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>                      | <p>KPI-1: Performance against impact targets</p> <p>KPI-2: Performance against service delivery targets</p>   |
| <b>Expected Outcomes</b>   | <p>These regional approaches will generate and utilize strategic information, promote cross-country learning, provide opportunities to explore innovation, realize economies of scale, and provide mechanisms for regional coordination and collaboration. These will also be closely coordinated with country grants.</p>  |
| <b>Expected Catalytic Effect</b>   | <p><input checked="" type="checkbox"/> Enhance coordinated response for multi-country contexts</p> <p>These regional approaches are innovative and address gaps around cross border areas and issues which are not addressed through any other mechanism. They will generate and utilize strategic information, promote cross-country learning, provide opportunities to explore innovation, realize economies of scale, and provide mechanisms for regional coordination and collaboration. These will also be closely coordinated with country grants.</p>  |
| <b>Risk if this priority is not funded</b>   | <p><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</p> <p>Country grants focus on country specific issues and do not prioritize cross border issues, which are also critical to the fight against TB and require more coordinated efforts. It is critical to understand the cross-border needs and to catalyze development of effective solutions that will guide countries to implement effective and harmonized policies based on lessons learned, and to improve regional coordination.</p>   |
| <b>Other major funders and initiatives for this priority</b>                           | <p>Not applicable</p>   |
| <b>Can this be effectively funded through country allocations?</b>                     | <ul style="list-style-type: none"> <li>• Yes, but cross-border issues tend to be deprioritized by countries and regional mechanisms are important to facilitate coordination across borders.</li> </ul>   |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate</b> | <ul style="list-style-type: none"> <li>• Global Fund information notes provide updated information on policies and procedures as well as priorities</li> <li>• GF KPI Monitoring facilitates the prioritization</li> </ul>  |

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| <b>prioritization in this area?</b>   |   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | <ul style="list-style-type: none"> <li>• Finding missing people with TB, including drug-resistant TB and TPT (MF)</li> <li>• Targeted TA to develop innovative approaches to finding missing people with TB (SI)</li> </ul> |

## Evolution of the Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>  |  |
|--|--|
| <b>Budget</b> <i>Approved out of total available<sup>23</sup></i><br>\$22.5m (out of \$65m)  | <b>Fund Recipient:</b> Multi-Country grant recipients providing responses for TB & mining, improving the quality of care and prevention for MDR-TB in Eastern Europe, supra-national labs (2 grants), migrant and mobile populations (3 grants) and supporting LAC countries for transition  |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| Grants signed and implementation in progress for <ul style="list-style-type: none"> <li>• West Central Africa grants including Supra-National Labs</li> <li>• Mobile populations: migrants /refugees in Mekong region and Central Asia</li> <li>• Mobile population: Horn of Africa with joint TB and HIV services for refugees (IGAD)</li> <li>• TB Mining - South Africa, SADC: implementation in second cycle</li> <li>• Southern &amp; Eastern Africa Supra-National Labs</li> <li>• Eastern Europe</li> <li>• Asia &amp; W Pacific MDR-TB policy developed</li> </ul> | <ul style="list-style-type: none"> <li>• Address regional gaps through strategic evidence-based approach and generate strategic information for use;</li> <li>• Promote cross- country learning;</li> <li>• Develop innovative approaches and realize economies of scale; and</li> <li>• Provide mechanisms for regional co-ordination and collaboration.</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The TB partners and Secretariat will conduct an in-depth review of all existing TB multi-county grants and determine those which can be mainstreamed into the grants, which ones should continue as set-aside, and the if there is any new area to be proposed within the funding envelope.

### For matching funds and multi-country, how will country selection differ?

Some Multi-Country TB grants have been implemented for a number of years through multiple allocation cycles. A careful in-depth analysis will be conducted to determine those which need to be mainstreamed into country grants and those which should continue as set-aside.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Where possible, consideration will be given to mainstreaming the multicounty grants or some critical interventions into country grants following the review of all existing multi-country grants.

<sup>23</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

# RSSH and Cross-Cutting

## PSM Transformation (Continuation of PSM Diagnostics)

### Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Technical Assistance Providers

Proposed Budget: USD 20 million

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| <b>Objective and Rationale:</b>   | To develop domestic capacity and robust in-country supply chain & procurements systems strengthening Supply Chain organizations and building ownership and optimized workforce performance by implementing PSM transformation plans that improve harmonization, sustainability, and reduce inefficiencies in national systems, based on the evaluation of systems in the 2017-2019 cycle.  |
| <b>Epidemiological context and country selection</b>                    | Key countries: Democratic Republic of Congo (DRC), Nigeria, Ethiopia, Bangladesh, Ghana, Ivory Coast<br>Support countries: Burkina Faso, Tanzania, Malawi, Uganda, South Africa, Pakistan, India (4 states), Haiti, Liberia, and Niger<br>Additional countries with weak health systems may be considered.   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build resilient and sustainable systems for health<br>SO4: Mobilize increased resources   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets<br>KPI-6b: Product availability at service delivery point  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Improved availability of medicines and health products, reduction of stock-outs</li> <li>Improved transparency of procurement and supply chain</li> <li>Increased leadership accountability and ownership in country</li> <li>Increased On Shelf Availability (OSA) by having in place trained supply chain leaders and a workforce with the right capabilities, authority and accountability at all levels of the health system</li> <li>Improved country capacity for strategic planning, contract &amp; procurement management and LMIs management</li> <li>Improved country capacity to manage and take advantage of public-private partnerships</li> <li>Support to reach the Global Fund target of finding and treating 33 million TB patients by 2022 in line with the Global Fund strategy</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</p> <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p>This set-aside funding will catalyze i) more effective use of country allocations in the short term, and sustainable long-term regional national availability of health product, reduced expiries and improved operational cost; ii) has catalyzed additional funding from other external financiers such as the Gates Foundation for this priority.</p> <p>This SI will leverage already existing funding to continue support to strengthening health supply chains, building on opportunities to strengthen health systems. This is in line with recent TRP and TERG reviews, which concluded that there were missed opportunities to leverage Global Fund funding and support systems more broadly.</p> <p>The investment will catalyze sustainable long-term national diseases responses by supporting countries in the development of systematic and institutionalized workforce development plans. In a shift from ad-hoc training to comprehensively upskilling, support will focus on the establishing a standard set of operating procedures (SOPs) for each supply chain role and activity linked to KPIs that support performance</p> |



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|   | tracking. This will facilitate supply chain workers' understanding of their role in the healthcare system, particularly in terms of health outcomes.   |
| <b>Risk if this priority is not funded</b>  | <p>☒ Programmatic risk, e.g. affecting service delivery, systems</p> <p>Inefficient procurement and supply chain systems directly impact national's programs ability to deliver timely quality commodities to health consumers. Further, in the absence of strategic leadership and supply chain management, there is a risk of under-skilled, understaffed national supply chain programs that are unable to deliver on key health system needs, with a downstream impact on the effectiveness of service delivery.</p> |
| <b>Other major funders and initiatives for this priority</b>  | <ul style="list-style-type: none"> <li>• Gates Foundation</li> <li>• Domestic Resources</li> <li>• U.S. (USAID, PEPFAR, PMI and FP)</li> <li>• GAVI</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>  | Yes, this priority can be funded through country allocations where transformation plans are available, there is political commitment, and relevant expertise is available to support realistic transformations. However, because of the limited focus on these priorities by countries and their cross-cutting nature, they require additional support. Sourcing technical assistance in the grants can often be difficult due to sourcing issues, expertise required, and limited fiscal space within the grants.       |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• Convening of in-country available partners to align on in-country objectives.</li> <li>• Invest in step changes, while ongoing grant expenditure provides funding for day to day operations.</li> <li>• Change management of process &amp; people, integrating parallel supply chains, develop public private partnerships in country.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• Service Delivery Innovations: Engage with the Health Workforce development interventions.</li> <li>• Data SI: supporting in-country data use and systems</li> </ul>   |

## Evolution of the Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>   |  |
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| <b>Budget</b> <i>Approved out of total available<sup>24</sup></i><br>\$20m (out of \$20m)                   | <b>Fund Recipient:</b> 20 Diagnostics / 16 Transformations   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| 19 countries Diagnostics started, completed or Transformation in progress<br>10 Transformations in progress | Improved availability of medicines and health products, reduction of stock-outs<br>Improved transparency of procurement and supply chain |

**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

- (2019) Deliver value for the 16 Transformation countries in terms of improving availability.
- (2020) Extend visibility to other countries where Supply Chain is not yet fully enabling the fight against HIV/AIDS, TB and malaria and build transformation support there as well. Use existing proposed transformation plans (from diagnostics) to inform allocation of funds from grants to address supply chain issues.
- Advocate for stand-alone RSSH grants in order to get adequate focused funding for supply chain where relevant
- Connect In-country supply chains better to PPM/WAMBO.
- Run regular (monthly / quarterly) S&OP meetings for key countries and key commodities to understand inventory situations and necessary inventory adjustment (connect operations to in-country transformations).

**For matching funds and multi-country, how will country selection differ? For all modalities, how will this catalytic priority evolve to be more efficient and deliver impact?**

<sup>24</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



- Country selection will be essentially be based on disease burden and success of in-country supply chain to deliver product availability into hands of health consumers.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

- Transformations in most cases will take 3-5 years, extending first in the next allocation.
- Target sustainable availability of health products for health consumers in country/district/health facility to measure success.
- Continuous measurement of KPI 6B on a quarterly basis, to use the trend as evidence for the sustainability of transformation. If somehow proofs unsustainable, we will know early and be able to step up support.

# Service Delivery Innovations

## Proposal for 2020-2022

**Recommended Modality:** Strategic Initiative

**Proposed Budget:** USD 47 million

**Recommended Recipient of Funds:** may include WHO, UNICEF, WHO and collaborating centers, Africa Society for Laboratory Medicine, Africa CDC, academic institutions, competitively chosen service providers.

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| <b>Objective and Rationale:</b>   | <p>The objective of this strategic initiative is to support better service delivery for the three diseases through more strategic and innovative RSSH approaches, leading to improved health outcomes. It is a combination of: (1) ‘Technical support, south to south collaboration, peer review and learning’ Strategic Initiative; and (2) Matching Fund for Human Resources for Health (HRH) and integrated service delivery, plus additional components based on emerging needs. It consists of the following objectives:</p> <ul style="list-style-type: none"> <li>• <i>Strengthen Funding Requests and grant implementation</i> through mock-TRP peer reviews of funding requests and promoting south-south learning and exchange during grant implementation.</li> <li>• <i>Strengthen disease National Strategic Plans (NSPs)</i> through stronger linkages to national health sector policies.</li> <li>• <i>Support more strategic investments in HRH</i>, including at the community level, to ensure investments are more impactful, sustainable and aligned with normative guidance.</li> <li>• <i>Strengthen quality of care and integrated service delivery</i> for effective coverage of HIV, Tb and malaria health services, including at the community level, through more integrated programming, including for adolescent girls and young women (AGYW) in 13 focal countries. Also includes a West and Central Africa learning initiative focused on improving quality of services, and leadership and management skills.</li> <li>• <i>Improve national laboratory systems and health security</i> to improve national diagnostic and surveillance capacity.</li> <li>• <i>Develop strategic private sector approaches</i> for national public programs to engage, regulate and contract private service providers, including the informal sector, which is a major provider of health services for the three diseases in many settings.</li> </ul> |
| <b>Epidemiological context and country selection</b>                    | Focus will be on countries with weak systems, and poor health status and disease outcome indicators. Countries will vary according to the topic addressed. For example, for the work on development of private sector strategies, it will focus on countries where the majority of the population seek treatment through the private sector, including the informal sector.   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build resilient and sustainable systems for health</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-1: Performance against impact targets</p> <p>KPI-6: Strengthen systems for health</p>  |
| <b>Expected Outcomes</b>  | <p>To catalyze existing funding and enable it to be used more strategically and for greater impact.</p> <ul style="list-style-type: none"> <li>• Improved regional and national capacity to develop more strategic funding requests and improve implementation. More evidence-based, costed and prioritized disease NSPs that are better integrated into national health sector strategies and sub-sector plans.</li> <li>• More strategic funding requests for HRH and integrated service delivery, stronger national strategic plans. Improved national health workforce planning and management, including at community level.</li> <li>• Strengthened people-centered health services for HIV, TB and malaria, and better quality of care through integrated service delivery platforms for women and children. Improved programming for AGYW in 13 focus countries, and better management capacity in West and Central Africa.</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>Improved integrated national laboratory and diagnostic capacity that meets national needs and standards.</li> <li>Improved health security and disease surveillance at national, regional and global levels through better integrated lab and data systems, strengthened regulatory frameworks and tracking of investments.</li> <li>Development of public sector strategies to engage, regulate and contract private non-state providers, including the informal private sector.</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p>It is catalytic as it will leverage already existing funding within the grants. This is needed as recent TRP and TERG reviews have concluded that there are many missed opportunities to leverage investments to support health systems. It will therefore catalyze more effective use of country allocations and more sustainable long-term national diseases responses.</p> |
| <b>Risk if this priority is not funded</b>  | <input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems   |
| <b>Other major funders and initiatives for this priority</b>  | There is complementary funding for some of these areas. For example, the Bill and Melinda Gates Foundation funds integrated service delivery for quality improvement of ante- and post-natal care, as well as disease surveillance and PHC measurement. The World Bank funds regional disease surveillance systems. Co-financing will be explored for the West and Central Africa learning initiative.  |
| <b>Can this be effectively funded through country allocations?</b>  | South-South learning and regional collaborations are difficult to fund through grants, as by definition they cut across borders. Sourcing cross-cutting technical assistance in the grants can often be difficult due to sourcing issues and expertise required.  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Application materials, including the funding request templates, the modular template and the information notes, will be revised to facilitate prioritization of these areas. The CCM evolution process, plus strengthened collaboration with partners and improved methodologies for differentiation, measurement and tracking of RSSH investments will enable further prioritization.  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <p>It aligns with catalytic funding for the three diseases, as it supports complementary elements needed for successful delivery of the programs. In addition:</p> <ul style="list-style-type: none"> <li>Sustainability, Transition and Efficiency - allocative efficiency modelling and analysis to inform prioritization and integrated models in NSPs</li> <li>Community Rights and Gender – community health systems</li> <li>Data SI – community health information systems</li> <li>AGYW MF – technical support for implementation</li> </ul>  |

## Evolution of the Catalytic Priority in 2020-2022

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| <b>Progress to date for 2017-2019</b>  |  |
| <b>Budget</b> <i>Approved out of total available<sup>25</sup></i><br>MF for HRH and integrated service delivery: \$18m (out of \$18m)<br>SI for Technical support, south to south collaboration, peer review: \$14m (out of \$14m) | <b>Fund Recipients:</b><br>MF: seven high burden countries.<br>SI: WHO, UNICEF and RBM                               |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| MF: seven countries received matching funds for HRH analytics, policy development, integrated training and supervision for health workers, including community health workers.   | Improved health workforce planning management, analytics plus integrated service delivery, supervision and training, |

<sup>25</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds.

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|  | leading to improved HRH quality, efficiency gains and improved health outcomes   |
| SI: South-south learning activities, including numerous mock-TRPs and peer-review visits, regional workshops on transition, integrated service delivery, innovative technologies and NSP strengthening. AGYW and community health programming supported in selected countries, and new HRH guidance developed on community health workers and impact models of investment. | Enabled the effective use of country allocation through the timely delivery of quality TA and peer-to-peer learning networks, including mock TRPs. |

**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

HRH and integrated service delivery was previously funded through Matching Funds, and continue to be areas of focus for the Secretariat, accounting for approximately \$1 billion investment per cycle, and would benefit from a more strategic approach. The strategic initiative on 'Technical support, south to south collaboration, peer review and learning' funded support for mock-TRPs and other south-south exchange, strengthening of NSPs, community health systems, and AGYW.

For 2020-2022, these two catalytic priorities are merged into one SI to address these issues in a more integrated manner, and that other topics be included, including laboratory systems, health security and engagement with the private sector. This will enable support to a much broader range of countries who are requesting enhanced support, accelerating progress towards more strategic investments, and ensuring efficiencies in program management.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Set-aside mechanisms supported by partners will be encouraged to strengthen their support to these areas (for instance by using already trained consultants) to ensure continued support beyond the end of 2022. South-south learning and technical support will likely still be needed going forward, however the areas of focus are expected to evolve as capacities emerge because of these efforts.

- Strengthened funding requests, NSPs, community systems and AGYW programming were funded through the 'Technical support, south to south collaboration, peer review and learning' special initiative.
- HRH and integrated service delivery was funded through a matching fund for seven countries.
- Aspects of quality of care were funded by the Sustainability, Transition and Efficiency strategic initiative.
- Laboratory strengthening was funded by country grants, which provided limited technical assistance to this area. Technical partners and donors assisted with additional technical assistance.

Health security and private sector engagement were not a focus of support.

**For new items, what new evidence supports the funding of this priority as set-aside catalytic funding in the 2020-2022 allocation period?**

The SI will continue to focus on supporting the development of more strategic funding requests, improved grant implementation, and improved strategic planning for NSPs at the country level, however, based on current investment levels and arising concerns, new elements are being proposed. This includes a focus on quality of care, such as through a new learning collaborative focused on West and Central Africa (WCA) where there are weak health outcomes.

There is also a need to proactively advance integration across all the health system functions to promote integrated service delivery for better quality, efficiency and effectiveness. This includes for AGYW, where the high incidence of HIV continues to be of great concern, and requires strengthened, more evidence-based multi-sectoral programs.

Laboratory systems remain poorly functioning in many countries and additional support is needed, since efficient and reliable health laboratory services are an essential component to any resilient health system, and to achieving disease control. The Global Fund is investing significantly in laboratory services -approximately 12% of total grants in the last funding cycle, mostly in laboratory equipment. Assistance for WCA countries have been prioritized in 2017-2019, and additional countries require support in 2020-2022

Linked to this is the need for better global health security. The Ebola Virus Disease (EVD) outbreak of 2014-2016 was a dramatic wake-up call to the global community to urgently increase strategic investments in laboratory systems, as well as national health information and supply chain systems to serve both clinical and epidemiological surveillance needs. More could be done to leverage Global Fund's already existing investments in these areas to address these issues, as documented in a recently commissioned paper by Georgetown University (2019).

Stronger engagement with the private sector is important as the majority of TB and malaria health services in many countries are provided by the private sector, including the informal private sector. Public sector strategies to engage, regulate and contract private sector service providers are lacking, and efforts tend to be disease-focused and fragmented.

## Data

### Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Multiple

**Proposed Budget:** USD 35 million

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| <b>Objective and Rationale:</b>   | <p>Improve availability, quality &amp; use of data including focus on coverage, quality &amp; efficiency.</p> <p>The aim is to build and strengthen in-country national M&amp;E platform and systems to accommodate the specific data and information needs to fight the 3 diseases and achieve the adequate reporting for UHC. It aims at using data for better strategic decisions and allocative efficiency; this will have a catalytic effect for the entire health sector and, in particular, on the 3 diseases. It has a huge potential to attract other partners and private sector funding to leverage more support and lead to meaningful and tangible achievements. It will operate within the context of Health Data a Collaborative and with strong coordination mechanisms across technical partners, both from Data side but also for the diseases and broader RSSH side through Disease Situation rooms, bilateral and multilateral partner group.</p> |
| <b>Epidemiological context and country selection</b>                    | <p>Focus is essentially on the 50 high impact and core countries, with more investments in high impact countries. These countries have M&amp;E budget of approximatively USD 340 million and account for 85% of total M&amp;E budget in grants.</p> <p>Evaluations will be carried out throughout the portfolio</p>   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build resilient and sustainable systems for health</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p> <p>SO4: Mobilize increased resources</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-2: Performance against service delivery targets (enables KPI-2 reporting)</p> <p>KPI-5: coverage of services among key populations</p> <p>KPI-6 d, e: RSSH HMIS coverage and results disaggregation</p> <p>KPI-8: Gender and age equality - AGYW incidence</p>   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Effective and efficient use of grant investments in M&amp;E</li> <li>• Achievement of targets for KPIs, mainly KPI 2, 6 d &amp; e, 5, 8</li> <li>• Standardized indicators and integrated HIV/TB/malaria reporting into routine national HMIS</li> <li>• Stronger Community Health Information System, interoperable with health facilities, including systems for key and targeted populations</li> <li>• Dashboards for data analysis and use, comparable across countries and over time</li> <li>• Improved country capacity for strategic planning, data analysis and use for action</li> <li>• Increased use of data for program quality improvement and efficiency</li> <li>• Increase funds mobilized from private sector and diversification of partnerships</li> <li>• Timely tracking of progress against relevant Strategic Objectives of GF Strategy (2017-2022)</li> </ul>                                      |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Incentivize increased funding from allocations to priority areas</li> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> <li>• The centralized Strategic funds are critical to leverage the M&amp;E grant budgets (\$400 million for 2017-2019), that were underspent in the last cycle. Strategic funding represents about 8% of total Global Fund M&amp;E funding.</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>Efficient country M&amp;E systems (including routine system, surveillance, reviews and evaluations) are critical for evidence-driven decision making and targeting interventions to control and eliminate diseases. Global Fund and partner money will be better invested and used more effectively.</li> <li>The pool of M&amp;E TA consultants allows for rapid elimination of bottlenecks and design improvement for M&amp;E systems. It also allows for support to systematic reviews, assessments and evaluations, which are key to constantly improve sector planning and strong and comprehensive NSP.</li> <li>The support provided for rigorous analytical capacity building and data analysis will have positive side effect by benefiting the whole National Health System.</li> </ul>  |
| <b>Risk if this priority is not funded</b>  | <p><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</p> <p><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</p> <ul style="list-style-type: none"> <li>No global goods, innovations and normative guidance in digital health. Absence of regular core software maintenance and updates,</li> <li>Absence of standardized dashboards and packages for data analyses and capacity building at national and sub-national level. Inadequate use of data and poor decision-making</li> <li>System fragmented and not up to standards, poor data quality and inappropriate control for data accuracy, completeness and timeliness</li> <li>Lack of software and interoperable systems for patient tracking, supply chain, lab and in particular for community data system and specific system for key population and population sub-groups leading to stock-outs, incorrect patient data, waste and inefficiencies.</li> <li>The M&amp;E technical assistance would not be accessed or not in a timely manner putting at risk the performance and quality of existing M&amp;E systems, including the aspects funded by the grants. Gains would not be maintained.</li> </ul> |
| <b>Other major funders and initiatives for this priority</b>  | <p>USG, NORAD, GAVI, GIZ, BMGF, World Bank, UNICEF</p> <p>Despite this there are gaps in funding for University of Oslo in development and ongoing improvements to core DHIS platform and interoperability with LMIS and CHIS.</p>  |
| <b>Can this be effectively funded through country allocations?</b>  | <p>No, as we cannot expect country grants to contribute to the following:</p> <ul style="list-style-type: none"> <li>Production of global public good that has cross-country utility (guidance, software)</li> <li>Funding of regional hubs and partners to strengthen analytical capacity and data use through Universities</li> </ul> <p>A pool of technical assistance for specialized areas in M&amp;E is fundamental as countries sometimes do not have the mechanisms in place to contract and grants are blocked in their implementation. There is a need to undertake thematic and specific evaluations and to quality assure country evaluation so that Global Fund credibility is increased.</p>  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>Data Use for Action and Improvement framework, that provides comprehensive guidance to countries and country teams on investing into M&amp;E systems and data use for program improvement</li> <li>Guidance during the country dialogue, concept note development</li> <li>Engagement with the Health Data Collaborative (HDC) and existing partnership mechanisms so that best placed partners in each country can leverage their strengths to effect strategic changes in program management and decision-making.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>TB initiatives (monitoring Tb missing cases in the 13 countries)</li> <li>HIV initiatives (all of them, in particular, M&amp;E framework for key populations, Adolescent Girls and Young Women)</li> <li>Malaria initiatives (all of them, in particular, malaria elimination)</li> <li>LMIS and Lab strengthening</li> <li>Private sector strategies</li> <li>PSM transformation</li> </ul>   |

## Evolution of the Catalytic Priority in 2020-2022

| Progress to date for 2017-2019   |  |
|--|--|
| <b>Budget</b> <i>Approved out of total available<sup>26</sup></i><br>\$20 m (of \$20m)   | <b>Fund Recipient:</b> High impact and Core countries  |
| Progress Update  | Expected Outcome   |
| Data availability and quality <ul style="list-style-type: none"> <li>60% of HI and core countries with good/moderate data quality- 2018 target achieved</li> <li>26% (13) of countries with fully deployed and functional HMIS integrated into a single platform (KPI 6d)- 2018 target achieved</li> <li>5 countries with LMIS/HMIS system interoperability- 2018 target achieved</li> </ul> | <ul style="list-style-type: none"> <li>Reliable and quality data available for decision making</li> <li>Countries able to report and analyze data on the three diseases</li> <li>Better planning and program management due to LMIS/HMIS interoperability</li> </ul> |
| Analytical capacity (data use) <ul style="list-style-type: none"> <li>Regional partnerships established supporting 11 countries</li> <li>Baseline assessments of gaps in data analysis and use completed, priorities identified, and plans developed</li> <li>10 quality assured epidemiological reviews in 8 countries (target=5/50 countries)</li> </ul>                                   | <ul style="list-style-type: none"> <li>Systematic and regular data analysis and use for decision making</li> </ul>   |
| Evaluations and Thematic reviews <ul style="list-style-type: none"> <li>10 evaluations in focused countries completed (target= 95 component evaluations during 2018-2020)</li> <li>20 evaluations ongoing; 29 to start in 2019)</li> <li>3 thematic reviews completed (target= 14 during 2018-2020); 10 planned for 2019</li> </ul>  | <ul style="list-style-type: none"> <li>Use of evaluations for improved program management and strategic investments</li> <li>Continuous learning and improvement of NSP and fund allocation</li> </ul>   |
| Technical assistance <ul style="list-style-type: none"> <li>34 country requests supported through the M&amp;E TA pool- 9 requests completed, 25 ongoing (total= 81 requests received)</li> </ul>   | <ul style="list-style-type: none"> <li>Improved use of M&amp;E budget</li> <li>Program quality improvement</li> <li>Single M&amp;E plans and platforms</li> <li>DHIS scale-up</li> </ul>   |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The objectives for the period 2020-2022 are the same as current period. Based on the lessons learnt and ambitious targets set for each area, activities will be strengthened and expanded.

- Support to development of structured in-country digital health platforms
- Promote innovation in digital health by collaborating with private sector and communities
- In addition to aggregate reporting systems, increased focus on case-based reporting for the three diseases and patient centered data system
- Integration of community health information system in HMIS/DHIS
- Expansion in the technical assistance provided to cover lab data system monitoring, LMIS/HMIS integration, digital health
- Build and strengthen regional partnerships to more regions beyond Sub-Saharan Africa
- In addition to the evaluation in focused portfolios, support evaluation of health systems
- Expand and consolidate the collaboration with Universities and academies decentralizing the support and contributing to transition, autonomy and sustainability
- Get better insight into Global Fund investments in RSSH and provide more targeted support.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

- Work with Country Teams, country stakeholders and partners to leverage grant and domestic funds for the maintenance and strengthening M&E systems.

<sup>26</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



- Strengthened partnerships with regional and local academic and other institutions for building analytical capacity will help institutionalize the culture of regular data analysis, reviews and data use at country level.
- By engaging and strengthening regionally and locally available expertise the programs will be able to maintain the pool of skilled personnel. It will foster South-South collaboration, peer learning and support.

# Community, Rights and Gender

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Local Community and Civil Society Recipients

**Proposed Budget:** USD 15 million

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| <b>Objective and Rationale:</b>   | <p>The primary objective of this investment is strengthened engagement of community and civil society in Global Fund processes. Engagement of community and civil society actors at all stages in the grant life cycle is critical in the design, development and implementation of effective responses to the three diseases and systems strengthening, ensuring that global fund investments evolve as responsive to those most impacted. The CRG SI will continue to be implemented via three inter-related components:</p> <ul style="list-style-type: none"> <li>• Short-term technical assistance delivered by and for community and civil society</li> <li>• Long-term capacity strengthening of key and vulnerable population organizations and networks</li> <li>• Regional coordination and communication platforms for community and civil society</li> </ul> |
| <b>Epidemiological context and country selection</b>                    | Global Fund eligible countries   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build resilient and sustainable systems for health</p> <p>SO3: Promote and Protect Human Rights and Gender Equality</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-5: Service coverage for Key populations</p> <p>KPI-8: Gender and age equality</p> <p>KPI-9: Human Rights</p>  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Strengthened Civil Society / Community engagement across grant cycle and priorities in Global Fund-related processes</li> <li>• Increased integration of responsive, evidence informed &amp; rights-based programming.</li> <li>• Strengthened capacity of community and civil society TA providers to deliver quality TA</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p>Combined, short-term Technical Assistance, long-term capacity strengthening, and regional communication platforms act to support and mobilize community and civil society actors to effectively contribute in in key policy processes nationally and in broader Global Fund-related processes including CCM representation, transition planning, funding request development, grant making and oversight.</p>  |
| <b>Risk if this priority is not funded</b>                              | <p><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</p> <p>Community and civil society engagement programmatic and policy setting processes for the 3 diseases and systems strengthening is critical in program effectiveness and quality.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | A multi-partner CRG SI Coordination Mechanism managed by the GF secretariat assists in coordination, alignment, and leveraging SI-supported work with resources invested by other donors and technical partners (including GIZ, French 5%, RCNF, Stop TB, UNAIDS).   |
| <b>Can this be effectively funded through country allocations?</b>      | No. Support for pre-grant approval technical assistance cannot be integrated into country allocations and the SI includes several activities that operate across multiple countries, regions and community actors.   |

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| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• CCM eligibility and representation requirements for key and vulnerable populations</li> <li>• Country dialogue process that stipulates community and civil society engagement and participation (throughout the grant life cycle)</li> </ul> |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• STE Strategic Initiative</li> <li>• Human Rights Strategic Initiative</li> <li>• TB Missing Cases Strategic Initiative</li> <li>• CCM Evolution</li> </ul>   |

### Evolution of the catalytic priority in 2020-2022:

| <b>Progress to date for 2017-2019</b>   |  |
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| <b>Budget</b> <i>Approved out of total available<sup>27</sup></i><br>\$15m (out of \$15m)   | <b>Fund Recipient:</b> Community and Civil society TA providers; Key and vulnerable community networks; Regional Civil Society Organizations.  |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| <ul style="list-style-type: none"> <li>• Approximately 50 short term technical assistance assignments deployed in the past 12 months</li> <li>• HER Voice Engagement Fund fully implemented. 195 small grants provided across the 13 AGYW priority countries. Alternative financing leveraged.</li> <li>• 6 HIV key population consortiums, 5 TB Networks and 2 Malaria CSOs implementing long term capacity development programs. 6 regional communication and coordination platforms implementing work plans</li> </ul> | <ul style="list-style-type: none"> <li>• Strengthened Civil Society / Community engagement across grant cycle and priorities in Global Fund processes</li> <li>• Increased integration of responsive, evidence informed &amp; rights-based programming.</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

Lessons learned from implementation during the 2017-2019 period will inform refinement to the operational approaches used by the SI. These lessons are being captured by a new, robust monitoring, evaluation and learning (MEL) framework applied across all components. The SI will further evolve to focus on most effective strategies and approaches during 2020-2022 informed by MEL findings, along with learnings from a midterm review, and end cycle independent external evaluation of the current CRG SI.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

The 3 components of the CRG SI have a combined aim to ensure that broader constituency understanding and engagement in GF processes is sustained – short term TA and regional platforms work is buttressed by longer-term capacity strengthening activities. Moreover, as the GF and the landscape it operates within changes – there will always be a need to invest in this area.

<sup>27</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

## Human Rights (Matching Funds)

### Proposal for 2020-2022:

**Recommended Modality:** Matching Funds

**Recommended Recipient of Funds:** 20 Countries

**Proposed Budget:** USD 40 million

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| <b>Objective and Rationale:</b>   | The primary objective of this investment is to incentive scale-up of programs to address human rights-related barriers to access HIV, TB and Malaria services in 20 countries (hereafter “human rights programs”). An additional cycle of matching funds will consolidate and build on progress made towards this objective in grants funded from the 2017-2019 allocation period.  |
| <b>Epidemiological context and country selection</b>                    | Focus on 20 countries from the 2017-2019 allocation period. Countries included in the cohort are drawn from all regions and different epidemic profiles and were selected following extensive consultation.<br><br>In all 20 countries human rights-related barriers to HIV services are being addressed. Of these 20, 13 also include a focus on human rights-related barriers to TB services and 3 for malaria services.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build Resilient and Sustainable Systems for Health<br>SO3: Promote and Protect Human Rights and Gender Equality  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-2: Performance against service delivery targets<br>KPI-9: Human Rights<br>KPI-5: Service coverage for key populations<br>KPI-8: Gender and age equality - incidence reduction amongst AGYW in 13 countries  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Scale up towards comprehensive programs to reduce human rights related barriers to HIV, TB and Malaria services in 20 countries.</li> <li>Comprehensive programs are in implementation in 4 countries for HIV and 4 for TB by the end of the 2017-2022 Strategy cycle</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Incentivize increased funding from allocations to priority areas</li> <li><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</li> <li><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> </ul> <p>Building on progress made in the 2017-2019 allocation period, a second cycle of matching funds will catalyze expanded scale of human rights programs across the 20 countries of focus. Investments will be aligned with the aims and objectives of nationally owned strategies/plans developed with Global Fund and partner assistance in the current period. The investment will continue to support multi-stakeholder platforms to guide implementation of these strategies/plans and catalyze commitment from a broader range of funding sources including bilateral and multilateral donors, and domestic budgets.</p> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</li> </ul> <p>Human rights-related barriers persist as significant impediments to access to services for communities most impacted by the three diseases and undermine program effectiveness and the potential for impact.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | <ul style="list-style-type: none"> <li>Identification of current and/or potential funders for this priority area is a critical aspect of the overall approach and occurs as part of the development of country plans.</li> <li>Several bilateral donors and philanthropic agencies provide resources for human rights related initiatives to which this investment is complementary, including PEPFAR, GIZ, PITCH, Bridging the Gap, OSF and others.</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>      | No. There is significant risk that support for these programs at adequate scale is deprioritized unless funding is set aside for this purpose.  |
| <b>Besides catalytic funding, how do existing GF policies</b>           | <ul style="list-style-type: none"> <li>STC focus of proposal requirements</li> <li>Country and regional prioritization</li> <li>Country dialogue</li> </ul>   |

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| <b>and processes facilitate prioritization in this area?</b>                                  | <ul style="list-style-type: none"> <li>Information notes and technical guidance etc.</li> </ul>  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | <ul style="list-style-type: none"> <li>AGYW matching fund: alignment in countries where there is overlap</li> <li>CRG SI: support for TA</li> <li>Key population matching funds and multi-country</li> <li>TB missing people matching funds and SI</li> <li>Human Rights Strategic Initiative –</li> </ul> |

## Evolution of Catalytic Priority in 2020-2022

| Progress to date for 2017-2019   |  |
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| <b>Budget</b> <i>Approved out of total available<sup>28</sup></i><br>\$41.78m (out of \$45m, including Human Rights SI)  | <b>Fund Recipient:</b> 20 countries  |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| <ul style="list-style-type: none"> <li>19 of 20 countries implementing expanded human rights programs. Remaining 1 pending Board approval.</li> <li>Investments in HIV related human rights programs have increased 7-fold in these countries.</li> <li>Programs are informed by baseline assessments</li> <li>Country level multi-stakeholder platforms established to develop and oversee implementation of national strategies/plans to scale up comprehensive human rights programs</li> </ul> | <ul style="list-style-type: none"> <li>Scale up of human rights programs has occurred in 20 countries</li> <li>Increased country-ownership of and commitment to integration of comprehensive programs to address human rights-related barriers to services within national responses to HIV, TB and Malaria</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The objectives of this investment remain the same, aligned with the 2017-2022 Global Fund strategy and associated KPIs – specifically SO3 and KPI9a. In the 2020-2022 period, a differentiated approach will be applied; greater focus and support will be provided to countries that demonstrate higher commitment, measured based on the mobilization of increased resources from both domestic sources and within GF allocations.

Incentives are required to make progress in reducing human rights-related barriers to TB services. Opportunities to integrate the scale up of human rights programs in the context of TB will be explored in countries that will receive TB missing cases matching funds as well as contexts where joint HIV/TB funding request are required. Such an approach aims at maximizing TB and HIV program synergies where appropriate and effective. Efforts to reduce human rights-related barriers to malaria services will be pursued through roll-out of the malaria matchbox tool.

### For matching funds and multi-country, how will country selection differ? For all modalities, how will this catalytic priority evolve to be more efficient and deliver impact?

All 20 countries in the 2017-2019 cohort will remain eligible for human rights matching funds. Funding levels will be determined using criteria outlined above - rewarding countries where greater efforts and commitment have been demonstrated in the current period. This approach aims to incentivize evolution and scale-up of comprehensive programs. Among the 13 countries where removing human rights-related barriers to TB services is a focus, efforts to catalyze scale-up of human rights programs will focus on contexts receiving TB matching funds as well as those required to submit joint TB-HIV proposals.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

The development of nationally owned plans will incentivize domestic resources as well as funding from other donors. End-term impact assessments will contribute to the growing evidence base that clearly demonstrates that programs to remove human rights related barriers at sufficient scale are critical to service delivery program effectiveness in the longer term and thus critical to sustainability. It must be noted that some elements of such programming are unlikely to be funded from domestic sources and the lack of funding remains a risk without incentives and/or strong policy levers.

<sup>28</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

## Human Rights (Strategic Initiative)

### Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Consultants for TA support and end-term assessments; local implementers, RBM and consultants for malaria component

**Proposed Budget:** USD 5 million

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| <b>Objective and Rationale:</b>   | The primary objective of the Human Rights Strategic Initiative (HR-SI) is to accelerate progress in delivering intensive support aimed at comprehensively addressing human rights-related barriers to HIV, TB and malaria services in 20 countries. The investment responds to the expressed need for strengthening implementation capacity at the country level, supporting end term impact assessments, and rolling out the malaria matchbox in select countries.   |
| <b>Epidemiological context and country selection</b>                    | 20 countries to receive targeted support  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build Resilient and Sustainable Systems for Health<br>SO3: Promote and Protect Human Rights and Gender Equality  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI-1: Performance against impact targets<br>KPI-2: Performance against service delivery targets<br>KPI-9: Human Rights<br>KPI-5: Service coverage for key populations<br>KPI-8: Gender and age equality - incidence reduction amongst AGYW in 13 countries   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Strengthened implementation capacity to deliver on a comprehensive human rights response in 20 priority countries Evidence on progress available for the 20 countries (KPI-9a target), and on the general scale -up of programs to reduce human rights-related barriers and inform portfolio wide strategies.</li> <li>Evidence and understanding of human rights related barriers in access to malaria services inform the disease response.</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Incentivize increased funding from allocations to priority areas</li> <li><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</li> <li><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives <ul style="list-style-type: none"> <li>Human rights related program development and implementation at the country level is strengthened</li> <li>High quality national plans/strategies developed to respond to human rights related barriers are operationalized including specific objectives on resource mobilization.</li> <li>Barriers in access to malaria services are identified and programs are responsive to those underserved in malaria responses.</li> </ul> </li> </ul> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</li> </ul> <p>The HR-SI is focused on strengthening implementation capacity and evidence. Effective human rights programming informed by best available evidence will contribute to service delivery access and effectiveness.</p>   |
| <b>Other major funders and initiatives for this priority</b>            | <ul style="list-style-type: none"> <li>The 20-country intensive support initiative includes the development of country-owned longer-term plans to reduce human rights-related barriers to services. These plans include resource mobilization as a key component.</li> <li>Additional funding leveraged (\$1 million from Backup Health, going to Frontline AIDS) for elements of the Technical Assistance (TA) and implementation support plan include the development of implementation support guide and implementation support in 4 countries</li> </ul>  |
| <b>Can this be effectively funded through country allocations?</b>      | <ul style="list-style-type: none"> <li>No. The proposed TA program requires central coordination to ensure consistency in access to necessary expertise. End-term impact assessments will be conducted as independent reviews and must be managed centrally.</li> </ul>   |



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| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• STC policy focus of proposal requirements</li> <li>• Country and regional prioritization.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>• Human Rights Matching Funds: this SI was developed and implemented as critical in supporting effective implementation and achieving impact of these investments</li> <li>• AGYW Matching Fund: alignment in countries where there is overlap</li> <li>• CRG SI: while different in scope the proposed HR-SI is complementary</li> <li>• Key Population Matching Funds and Multi-Country: alignment in countries where there is overlap</li> <li>• TB Missing Case and SI: alignment in countries where there is overlap</li> </ul> |

### Evolution of Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>   |   |
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| <b>Budget</b> <i>Approved out of total available<sup>29</sup></i><br>\$1.47m (out of \$45m, including Human Rights Matching Fund)   | <b>Fund Recipient:</b> TA providers   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>   |
| <ul style="list-style-type: none"> <li>• Multi-stakeholder consultation in the development of national plans/strategies has occurred in 11 contexts</li> <li>• Multi-stakeholder platforms established and supported to assist with national plan development and implementation oversight in 10 countries,</li> <li>• Plans adopted or under development, embedded into national strategic documents or as stand-alone operational plans nested under national HIV and TB programs in 9 countries.</li> <li>• Implementation TA needs identified and providers in deployment.</li> </ul> | <ul style="list-style-type: none"> <li>• Commitment to and implementation of longer-term, country-owned plans to reduce human rights-related barriers to services that are developed through a participatory process</li> <li>• Implementation capacity to deliver on the comprehensive response available in priority countries</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The Human Rights SI was established in 2019 in response to lessons learnt in roll out of the human rights matching funds. Most critical is support for implementation capacity strengthening given the significant scale up of investment in related programs in this period, along with resourcing for the collation and application of evidence.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

In the 20 countries, the development of nationally owned plans for a comprehensive response will incentivize domestic resources as well as funding from other donors, contributing towards sustainability of efforts. End-term assessments showing the impact of such programs will also increase sustainability and persuade other countries of the benefits of scaling up programs to reduce human rights-related barriers.

<sup>29</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds



# Sustainability, Transition and Efficiency

## Proposal for 2020-2022

**Recommended Modality:** Strategic Initiative

**Proposed Budget:** USD 18 million

**Recommended Recipient of Funds:** may include (but not limited to) WHO, TA providers for transition planning and preparedness, costing and disease impact modelling teams, civil society organizations, World Bank, OECD, UNICEF, other partners.

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| <b>Objective and Rationale:</b>   | To support implementation of the Sustainability, Transition, and Co-Financing (STC) policy and complement the Global Fund's overall work on sustainability, transition and efficiency (STE), the STE-SI provides financing for critical activities to strengthen sustainability, health expenditure tracking, and domestic financing, enhance transition planning, address bottlenecks in preparing for transition from Global Fund financing, and improve investment efficiency of national programs and health systems. The cross-cutting activities of the STE-SI are critical to addressing both health system and disease-specific challenges related to sustainability, transition, domestic financing, and efficiency. |
| <b>Epidemiological context and country selection</b>                    | This priority addresses the overall need for Global Fund support to (1) Enhance domestic financing and resource mobilization, <i>primarily</i> in portfolios with high disease burden and low overall health spend; (2) Strengthen sustainability across the entire portfolio, and advance transition planning and preparedness <i>primarily</i> in all upper middle-income countries and lower middle-income countries with low disease burden; and (3) Strengthen the efficiency of investments in national programs, <i>particularly</i> in high impact portfolios where enhanced efficiency can lead to significantly improved impact and in countries preparing to transition from Global Fund financing.                |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build resilient and sustainable systems for health<br>SO4: Mobilize increased resources  |
| <b>Global Fund Strategic KPI(s) this priority contributes:</b>          | KPI-1: Performance against impact targets<br>KPI-2: Performance against service delivery targets<br>KPI-4: Investment Efficiency<br>KPI-8: Gender and age equality<br>KPI-11: Domestic Investments  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Strengthened domestic financing of health and the three diseases</li> <li>• Improved sustainability and transition planning and preparedness</li> <li>• Improved mitigation of country and regional specific transition bottlenecks</li> <li>• Enhanced country capacity to address transition / sustainability challenges</li> <li>• Improved efficiency of national programs and health systems</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li>☑ Leverage additional funding outside of Global Fund (including domestic financing)</li> <li>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li>☑ Enable more effective use of country allocations</li> </ul> <p>In addition: 1) Provides targeted TA to address key bottlenecks in portfolios preparing to transition from Global Fund financing and/or working to enhance sustainability, where allocation sizes make it challenging to address via grants; 2) Enhances health expenditure tracking to facilitate improved implementation of Global Fund's co-financing policy as well as national budgeting and planning.</p> |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li>☑ Programmatic risk, e.g. affecting service delivery, systems</li> </ul> <p>In addition, there is risk related to sustaining gains, particularly in transition preparedness portfolios.</p>  |
| <b>Other major funders and initiatives for this priority</b>            | <ul style="list-style-type: none"> <li>• GAVI, USAID, WHO, Gates Foundation support resource tracking efforts. GF investments form a critical part of a collective efforts to strengthen country capacity.</li> <li>• UNAIDS, Gates Foundation, GAVI, World Bank (including GFF), USG, and DFID support overall work on domestic financing and efficiency.</li> <li>• USAID, UNAIDS and various civil society organizations / private foundations provide critical support for transition related planning and public financing of civil society service provision (i.e. social contracting); other partners (including PEPFAR and WB) support enhanced country level sustainability planning (for</li> </ul>                 |

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|   | example, via the PEPFAR SID and WB HFSA). GAVI and the WB provide support for country capacity building efforts on sustainability and transition.  |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>Partially - many initiatives to strengthen sustainability and transition preparedness are funded through country allocations or supported via grant design. However, a significant portion the STE-SI supports portfolios with small / declining allocations where it may not be feasible to earmark allocation funds. In addition, centralized SI funding provided through partner agreements ensures standardization, minimizes duplication and fragmentation.</li> </ul>   |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>The Sustainability, Transition, and Co-financing (STC) policy is the core Global Fund policy emphasizing the need to strengthen sustainability, prepare for transition from Global Fund financing increase both overall domestic financing and co-financing of Global Fund financing programs, and improve the efficiency of national programs. Although Global Fund allocations and the work of Global Fund country teams are essential to advancing the objectives of the STC Policy, the STE-SI provides an important catalyst and helps strengthen Global Fund investment in key areas relevant to policy implementation.</li> </ul>  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | <ul style="list-style-type: none"> <li>CRG SI: Supports community and key population groups to address transition issues and engage in transition processes, targeted advocacy activities; Allocative efficiency modelling supports KPI-8 target setting and country programming among AGYW countries</li> <li>Service Delivery Innovations SI- allocative efficiency analysis informs the development of NSPs and funding request through costing and intervention prioritization</li> <li>Key Populations and Sustainability Multi-Country Funding: Regional grants focused on transition and sustainability issues</li> <li>Accelerated Introduction of New Innovations SI: TA to address procurement related transition bottlenecks in transition preparedness contexts</li> </ul> |

## Evolution of the catalytic priority in 2020-2022

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| <b>Progress to date for 2017-2019</b>   |   |
| <b>Budget</b> <i>Approved out of total available<sup>30</sup></i><br>\$15m (out of \$15m)   | <b>Fund Recipient:</b> Various technical assistance providers, WHO, World Bank, OECD, costing and disease impact modelling teams, LSTM, Palladium, ADB, and other partners.   |
| <b>Progress Update</b> <ul style="list-style-type: none"> <li>Financing of ~ 12 transition readiness assessments across ~ 20 disease components, with an additional ~ 10 planned assessments in ~ 15 disease components planned; regional transition planning in LAC, EECA, MENA, and SEA.</li> <li>TA to address country-specific transition bottlenecks, including procurement, human rights, social contracting</li> <li>Country capacity building activities with partners in 2 regions, implementation of regional / global social contracting workshops with partners</li> <li>Support at least 30 countries in producing health and disease expenditure reports as per the SHA-2011 methodology</li> <li>Support provided for strengthening health financing strategies (6 countries initiated, ~ 12 planned in total)</li> <li>Allocative efficiency analysis ongoing to support costing and intervention prioritization to inform the development of NSPs and funding requests in 23 high impact countries and 11 non-high impact countries</li> </ul> | <b>Expected Outcomes</b> <ul style="list-style-type: none"> <li>Strengthened country and regional transition planning, particularly in all UMICs and LMICs with lower disease burden</li> <li>Enhanced country capacity to address strategic transition and sustainability challenges.</li> <li>Improved health expenditure tracking to sustain production of high-quality disaggregated data, and making such data available on the WHO Global Health Expenditure Database (GHED) and or national authority website.</li> <li>Further development / implementation of health financing strategies as a road map for countries strategic vision on domestic financing</li> <li>Increased country capacity related to public financial management systems, sustainability and transition and increased awareness in selected countries of need to raise more tax revenue to finance health expenditure.</li> <li>Generation of domestic financing evidence for advocacy purposes</li> <li>Improved investment efficiency of GF and domestic resources</li> </ul> |

<sup>30</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

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|  | <ul style="list-style-type: none"> <li>• Strengthened capacity in program quality, efficiency and integrated service delivery</li> </ul> |
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**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

The increased proposed amount for 2020-2022 is primarily to support more comprehensive activities to strengthen / support enhanced domestic financing in prioritized portfolios. Budget amounts for individual activities in the 2017-2019 strategic initiative will be used as a reference for future allocation of funds across priorities and individual activities, but final allocation of funds will be further evaluated to ensure proper prioritization before the implementation of the next iteration of the SI. In addition, specific modifications will include:

- *Health expenditure tracking*: Potentially increase the number of TA providers to facilitate increased demand for TA
- *Domestic financing*: Enhanced focus on supporting priority portfolios with high disease burdens and low overall spend on health to increase domestic financing for health and the three diseases
- *Transition planning and preparedness*: Emphasis on fostering country level transition and sustainability planning will continue (including beyond the transition preparedness cohort). But increased emphasis on TA for key strategic transition bottlenecks including public financing of civil society service provision, PSM challenges, advocacy to support transition preparedness, and other country context specific challenges.
- *Efficiency*: (1) strengthen costing data inputs to improve analysis robustness; (2) advance across disease allocative efficiency analysis to promote sector level planning towards UHC including promoting equity; (3) streamline and embed efficiency assessment in country-led planning as well as program evaluation processes

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?”**

The majority of the interventions included in the STE-SI are not intended to require permanent catalytic financing, either because 1) they are “one-off” activities to advance a particular initiative in the short term that should strengthen funding request / grant design or national planning (i.e. transition planning, programmatic efficiency assessments, health financing strategy support), or 2) because they are designed to strengthen capacity or institutionalize processes in a manner that decreases the need for permanent catalytic financing (i.e. National Health Accounts, allocative efficiency assessments, domestic financing advocacy, etc.).

However, there are certain activities financed out of the STE-SI which have historically relied on catalytic financing given the challenge of sourcing financing from country grants or other sources. During the 2020-2022 implementation period, further work will be done to explore alternative sources of funding (including country grants for specific activities or partners), and to ensure that financed activities are designed with clarity on timeline for ongoing financing.

# Emergency Fund

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Countries

**Proposed Budget:** USD 20 million

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| <b>Objective and Rationale:</b>   | <p>For the 2020-2022 allocation period, the Emergency Fund will continue its objectives of providing quick access to funds and flexibility to address needs for essential prevention and treatment services that cannot be funded through reprogramming, during certain emergency situations. The ability to be responsive and quickly provide additional financing for addressing essential prevention and treatment services during emergency situations includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Ensuring continuity of ART and tuberculosis treatment among the displaced and affected populations;</li> <li>• Supporting preventive measures, especially indoor residual spraying and long-lasting insecticidal nets (LLINs) among the displaced, and those affected in malaria endemic/epidemic areas;</li> <li>• Supporting risk and situation assessments of the 3 diseases and related health systems functionality;</li> <li>• Supporting costs of procurement and distribution of health products and limited operational costs of service delivery and staffing requirements during emergency situations, within reasonable ranges.</li> </ul> |
| <b>Epidemiological context and country selection</b>                    | <p>The Emergency Fund has specific eligibility criteria for countries or populations<sup>31</sup> wherein Global Fund eligible countries or populations that face either a Level 3 emergency, as classified by the Inter-Agency Standing Committee (IASC)<sup>32</sup> or a WHO classified Grade 2 or 3 emergency<sup>33</sup> and for which the emergency has had impact on the three diseases. The Secretariat may also consider providing support to other emergency situations based on strong justification.</p> <p>Funding applications are based on a comprehensive epidemiological assessment that considers all critical funding gaps in any of the three diseases.</p>  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build resilient and sustainable systems for health</p> <p>SO4: Mobilize Increased Resources</p>   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | <p>KPI-1: Performance against impact targets</p> <p>KPI-2: Performance against service delivery targets</p>   |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>• Continuity of essential treatment and prevention services for eligible populations and where there's a risk of disruption due to an emergency situation.</li> <li>• Rapid access to funds for countries in need of additional funding to address emerging needs related to an emergency situation.</li> <li>• Contribution to containment of disease outbreaks.</li> </ul>   |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</p>   |

<sup>31</sup> The Global Fund Eligibility Policy determines eligibility for Global Fund financing (GF/B39/DP03). Target Populations from eligible countries that have been displaced or migrated to non-eligible countries may also be eligible.

<sup>32</sup> The Inter-Agency Standing Committee (IASC) is the primary mechanism for inter-agency coordination of humanitarian assistance that involves UN and non-UN humanitarian partners. IASC defines a level 3 emergency, as “a major sudden-onset humanitarian crisis, triggered by natural disaster or conflict that requires a system-wide mobilization and response, as determined collectively by the IASC Principals under the leadership of the Emergency Relief Coordinator (ERC)” Source: [https://emergency.unhcr.org/entry/256772?lang=en\\_US](https://emergency.unhcr.org/entry/256772?lang=en_US).

<sup>33</sup> Both Grades 2 and 3 are single or multiple country effects with public health consequences (moderate for Grade 2 and substantial for Grade 3). Grade 2 emergencies are officially announced by the WHO Regional Directors, and the Director General for Grade 3.

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|   | <p>☑ Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p>☑ Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</p> <p>In emergency contexts, it is critical to preserve gains and ensure continuity of essential treatment and prevention service. The Emergency Fund provides a simple, rapid and flexible mechanism to allow the Global Fund to rapidly respond to emergencies and add additional resources to grants that cannot be quickly reprogrammed or do not have sufficient resources to respond to emergencies. The Emergency Fund can also catalyze complementary funding from other donors and test innovative approaches during emergency situations. The revolving nature of the Emergency Fund allows for, where possible, reimbursement from country allocations once the emergency situation has subsided and if there is room to reprogram.</p> |
| <b>Risk if this priority is not funded</b>  | <p>☑ Direct epidemiological risk, e.g. risking incidence, resurgence, drug resistance</p> <p>Populations affected by emergencies, including refugees, contributes to the risk of rising incidence and resurgence.</p>  |
| <b>Other major funders and initiatives for this priority</b>  | N/A  |
| <b>Can this be effectively funded through country allocations?</b>  | <ul style="list-style-type: none"> <li>• No. A centralized Emergency Fund allows for a rapid response, which is critical to maintaining the effectiveness of Global Fund financing in emergency contexts.</li> <li>• The funding needed for emergency response in each country cannot be predicted.</li> <li>• The Emergency Fund may be used to address needs of forcibly displaced population (refugees and migrants) that are not able to be effectively funded through country allocations.</li> </ul>   |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | <ul style="list-style-type: none"> <li>• A pre-condition for accessing Emergency Fund financing is to explore reprogramming of existing grant funds prior to requesting additional funding.</li> </ul>   |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       |  |

## Evolution of the Catalytic Priority in 2020-2022

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| <b>Progress to date for 2017-2019</b>  |  |
| <b>Budget</b> <i>Approved out of total available<sup>34</sup></i><br>\$8.5m (out of \$20m)   | <b>Fund Recipient:</b> Country Principal Recipients or any of the 13 pre-qualified implementers (CRS, GIZ, IRC, Plan International, PSI, Save the Children, World vision, IOM, UNHCR, UNDP, UNICEF, UNOPS, WFP)  |
| <b>Progress Update</b>   | <b>Expected Outcome</b>  |
| <p>The Emergency Fund continues to be an effective mechanism to provide essential prevention and treatment services to affected populations during emergencies. As of January 2019, 5 grants (\$8.7 million) have been approved (see below) with another 5 (estimated at \$6-8 million) currently in the pipeline:</p> <ul style="list-style-type: none"> <li>• <b>Uganda:</b> A top-up to the existing grant to cover the malaria commodity gap (mRDTs, ACTs and LLIN) for 1,252,470</li> </ul> | <ul style="list-style-type: none"> <li>• Continuity of essential treatment and prevention services for eligible populations and where there's a risk of disruption due to an emergency situation</li> <li>• Rapid access to funds to countries in need for additional funding to address emerging needs and respond to the situation.</li> </ul> |

<sup>34</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

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| <p>refugees in Uganda as a result of the emergency in South Sudan (\$ 3.59 million)</p> <ul style="list-style-type: none"> <li>• <b>Sudan:</b> A top-up to the existing grant to cover the malaria commodity and services gap for 700,00 South Sudanese refugees in Sudan (\$3.22 million)</li> <li>• <b>PNG:</b> A top-up to the existing grant to cover 250,000 LLINs for 500,000 people at risk of malaria living in earthquake-affected areas (\$ 0.93 million)</li> <li>• <b>Bangladesh:</b> Top-up to the existing grant to provide TB diagnostic equipment and related commodities for 750,000 Rohingya refugees in Bangladesh (\$ 0.77 million)</li> </ul> | <ul style="list-style-type: none"> <li>• Contribution to containment of disease outbreaks.</li> </ul> |
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**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

For the next allocation period, the Emergency Fund will continue to focus on the goals that it was established for: to be a flexible and rapid financing mechanism that supports the short-term provision of essential prevention and treatment services related to the three diseases during emergency situations. Given the nature of the Emergency Fund, specific geographical or thematic focus cannot be further defined. However, it will remain an essential tool to respond to displacements of populations and to contribute to the humanitarian development nexus. As part of continuous improvement, lessons to date will be used to improve on the Emergency Fund approach such as:

- strengthening partner engagement and support to help define affected population and needs and more adaptive and efficient approaches;
- transitioning support to refugees from the Emergency Fund to medium-term financing (such as country allocation), where emergency situations persist.

**For matching funds and multi-country, how will country selection differ? For all modalities, how will this catalytic priority evolve to be more efficient and deliver impact?**

Ongoing partnership with partners, including humanitarian organizations, will be leveraged to identify more adaptive innovative approaches to use the emergency fund more efficiently and with greater impact.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Given the nature of the Emergency Fund where the thematic and geographic focus cannot be predicted in advance, this financing mechanism would still have to be a set-aside funding in the future. Channeling Emergency Fund through a separate set-aside funding enables the Global Fund Secretariat to adopt a more streamlined, flexible and rapid funding mechanism which is critical for responding to emergency situations.



# Innovative Finance

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** Varies

**Proposed Budget:** USD 30 million

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| <b>Objective and Rationale:</b>   | <p>To provide a pool of funds to support innovative finance transactions, which leverage additional investments in health and the three diseases to address key epidemiological needs based on the AFC endorsed Structured Approach to Innovative Finance and Framework for Investments in Blended Finance.</p> <p>For example, the Regional Malaria Elimination Initiative transaction leveraged \$84 million in partner investments from a US\$ 6m catalytic investment. The initiative will be designed as a revolving fund to be replenished through grant funds, portfolio optimization or additional contributions over the course of the 2020-2022 cycle.</p> |
| <b>Epidemiological context and country selection</b>                        | Not applicable.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b>     | <p>SO1: Maximize Impact against HIV, TB and malaria</p> <p>SO2: Build resilient and sustainable systems for health</p> <p>SO4: Mobilize Increased Resources</p>  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>           | Transactions will be designed to accelerate progress on key programmatic needs, and thus potentially target any of the disease focused KPIs  |
| <b>Expected Outcomes</b>  | <ul style="list-style-type: none"> <li>Accelerated progress on strategic goals through increased investments in health and the three diseases that addresses key programmatic gaps.</li> <li>The expected outcomes and catalytic effect of individual transactions will be clearly documented as part of the development, review and approval processes for individual transactions.</li> </ul>  |
| <b>Expected Catalytic Effect</b>  | <p><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund</p> <p><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</p> <p><input checked="" type="checkbox"/> Enhance coordinated response for multi-country contexts</p> <p>Objective to increase funding flows to national programs for key programmatic priorities and increase the impact efficiency of investments. The approach emphasizes the intention to support country innovation and further support national strategies.</p>  |
| <b>Risk if this priority is not funded</b>                                  | <p><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</p> <p>By not funding this priority the Global Fund will miss important opportunities to leverage considerable additional investments in health and the resulting acceleration of impact on the three diseases and broader health goals. Transactions will become more opportunistic in nature, driven by when funds are available, rather than by where additional investments can have the greatest impact.</p>   |
| <b>Other major funders and initiatives for this priority</b>                | <ul style="list-style-type: none"> <li>Partners are likely to include, but are not limited to, the Bill and Melinda Gates Foundation, World Bank, Inter-American Development Bank, Asian Development Bank, as well as national governments</li> </ul>  |
| <b>Can this be effectively funded through country allocations?</b>          | No, the timelines for innovative financing transactions do not necessarily align with regular grant timelines. Relying on country allocations will limit the number of transactions, and therefore the additional funds and increased impact that can be delivered over the next cycle. Catalytic funding would allow the flexibility to ensure funds are available when required to enable the successful and efficient completion of the transactions.   |
| <b>Besides catalytic funding, how do existing GF policies and processes</b> | The AFC endorsed and the Board reviewed a Structured Approach to Innovative Finance, which sets out the Global Fund's overall approach to innovative finance, including a) the thematic areas where it can add most value to deliver impact from supported programs; and b) the principles under which these transactions will be developed and  |



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| <b>facilitate prioritization in this area?</b>  | operationalized. An internal steering committee has been established to coordinate and provide enhanced oversight of the prioritization and development of innovative transactions. In addition, all transactions will follow standard Global Fund review and approval processes, such as through TRP, GAC and the Board. |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | This will depend on the programmatic priority targeted by the transaction. For example, current or close to completion deals have targeted malaria elimination and TB missing cases.  |

## **Evolution of the Catalytic Priority in 2020-2022**

### **How was this priority funded in the 2017-2019 allocation period?**

Two Innovative Finance transactions have been funded over the 2017-2019 period to date, one from grant funds and the other from Catalytic investments.

### **What new evidence supports the funding of this priority as set-aside catalytic funding in the 2020-2022 allocation period?**

Given the nature of negotiations with funding partners required to develop Innovative Financing transactions, these cannot always be designed to fit the schedule of the regular grant cycle. Experience to date has shown that the lack of available funds has limited the number of innovative financing transactions funded and slowed down the pace of negotiations; partner engagement tends to remain high-level until it is clear what level of financing the Global Fund is able to contribute to the deal. Such deals have been delayed to align with grant cycles or for funds to be made available through portfolio optimization. This has also added considerable additional transaction costs for the Country Teams involved. Having funds more readily available will speed up and streamline the negotiation process and reduce transaction costs. Such improvements will be necessary if the Global Fund is to reach the planned goal of three innovative financing transactions per year.

### **What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Innovative Financing transactions are still a new funding modality for the Global Fund. As experience working with partners on these deals increases and ways of working become more embedded in the operating model, it may become easier to align deal negotiations to the three-year grant cycle.

# Accelerated Introduction of Innovations (previously Pre-Qualification of Medicines)

## Proposal for 2020-2022:

**Recommended Modality:** Strategic Initiative

**Proposed Budget:** USD 10 million

### Recommended Recipient of Funds:

WHO for the Expert Review Panel and Pre-qualification function.

To support Pharmaco- vigilance systems and regulatory systems in countries, a combination of partner interventions (WHO / USP) to cover a broader scope of countries.

For addressing Programmatic barriers to timely introduction, it remains to be determined which partner(s) are best positioned

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| <b>Objective and Rationale:</b>   | To facilitate the introduction of innovative health products into Global Fund supported countries.<br>Important barriers to innovative health products remain and can be identified along all dimensions of access: geographical and financial accessibility, availability, acceptability and quality. This initiative aims at providing a comprehensive approach to address quality and programmatic related barriers in countries, and at global level.  |
| <b>Epidemiological context and country selection</b>  | The specific epidemiological contexts and countries selected will depend on the specific products that are prioritized, reviewed and quality assured.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b>   | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build resilient and sustainable systems for health  |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>   | KPI-1: Performance against impact targets<br>KPI-2: Performance against service delivery targets<br>KPI-6 a, b: RSSH   |
| <b>Expected Outcomes</b>  | Ensuring that populations in need at country level have access to the latest, most appropriate and quality assured health products available in a timely manner to provide new clinical benefits or be more cost effective than current treatments   |
| <b>Expected Catalytic Effect</b>  | <input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives<br><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)<br>Expected to have significant catalytic effect in rolling out new innovations in a timely manner.  |
| <b>Risk if this priority is not funded</b>  | <input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems<br>Risk of delayed and sub-optimal uptake of new technologies, leading to increased disease transmission, morbidity and mortality.   |
| <b>Other major funders and initiatives for this priority</b>  | The Global Fund is the sole funder of the Expert Review Panel that WHO convenes on Global Fund request. Other donors support this process by financing the WHO Prequalification Function; this includes the Gates Foundation, Unitaid, Gavi and others. A donor coordination group ensures that investments in the function are well coordinated and strategic. A wide range of funders fund the development of innovative products, while a smaller group finances the introduction and scale up of innovative health products (e.g. Unitaid, PEPFAR, PMI). |
| <b>Can this be effectively funded through country allocations?</b>  | No, because centralized functions such as the Expert Review Panel and pre-qualification are difficult to fund through allocations because costs are incurred at global level. Top-down Technical quality assured assistance will facilitate and accelerate programmatic work at country level in a harmonized way  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | Prioritization is based on specific needs at country level and specific products that progress through the development pipeline. As of February 2019, the key innovations in the pipeline that are likely to be prioritized for acceleration during the next cycle are related new MDR-TB regimen and Dual and Triple fixed dose combinations for ARVs.  |

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| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b> | This interacts with PSM Transformations and Service Delivery Innovations. The PSM Transformation SI is important for ensuring that appropriate and quality assured products are sourced and delivered efficiently through in-country supply chain systems. The Service Delivery Innovations SI is important for catalyzing improvements to country service delivery mechanisms. |
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## Evolution of the Catalytic Priority in 2020-2022

| Progress to date for 2017-2019   |   |
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| <b>Budget</b> <i>Approved out of total available<sup>35</sup></i><br>\$12m (out of \$12m)                                    | <b>Fund Recipient:</b> WHO  |
| <b>Progress Update</b>   | <b>Expected Outcome</b>   |
| The Expert Review Panel has been implemented per schedule. The other agreed work within the workplan for this SI is delayed. | <ul style="list-style-type: none"> <li>The Initiative has been slow to start and primarily funds WHO TA and management of the ERP and pre-qualification process. The primary expected outcome of the current SI is improved quality assurance of health products and strengthening of country regulatory capacity.</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The SI will shift its focus from enabling a core WHO process (pre-qualification) to a broader strategic focus on accelerating the introduction of innovations. This still includes support for the ERP and WHO pre-qualification function, but strongly embedded within the continuum of actions needed to accelerate the introduction of quality assured health products.

In addition to ERP and pre-qualification, this includes support to build and/or strengthen pharmacovigilance (PV) systems and practices in countries where innovative health products have been or will be introduced. The project will generate safety data on the newly introduced products, and also contribute to the development of functional and sustainable PV systems in these countries.

This SI will provide support to countries to address quality and regulatory barriers that are currently delaying the marketing authorization or registration of innovative products, leveraging existing mechanisms such as the WHO collaborative procedure.

Another component of this SI will support countries in addressing programmatic barriers to accelerate adoption of new products and treatment regimens, by revising country standard treatment guidelines, and inclusions in Essential medicines lists and Essential Diagnostics lists, in line with technical partner normative guidance.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

There is need for further engagement to determine if the Global Fund should provide financing for this priority beyond the 2020-2022 allocation period. The Expert Review Panel was established on the request of the Global Fund, so if financing for this priority were discontinued, there is a high risk that the function would stop, adversely affecting the achievement of the six-year Strategy targets.

In contrast, the pre-qualification function is part of WHO's core mandate. The Global Fund co-finances this function for a time-limited period in response to limited availability of WHO core resources, noting that the Global Fund's work in introducing new health products at country level results in a significant increase in the volume and complexity of work performed by the WHO pre-qualification function. Strategic discussions and planning the financing for this function beyond the 2020-2022 allocation period are needed and will be conducted.

<sup>35</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

## CCM Evolution

### Proposal for 2020-2022

**Recommended Modality:** Strategic Initiative

**Recommended Recipient of Funds:** CCM HUB and CCMs

**Proposed Budget:** USD 15 million

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| <b>Objective and Rationale:</b>   | For the 2020-2022 allocation period, CCM Evolution will continue its objective of improving Country Coordinating Mechanism (CCM) performance by implementing an evolved model and ensuring CCM stakeholders are best placed to deliver on the new Global Fund strategy. Additional financing will include support for 1) a roll-out of basic CCM Evolution principles and enhanced performance management to all CCMs 2) strategic support for prioritized CCMs across the focus areas (oversight, engagement, linkages, CCM functioning).  |
| <b>Epidemiological context and country selection</b>                    | The basic evolution package will be rolled out for all CCMs by the end of the next allocation cycle. More strategic support will be provided for a limited number of prioritized CCMs based on a set of criteria including differentiation for impact, portfolio size/investment (which takes the disease burden into account), criticality of country to achieving GF strategy targets, CCM maturity levels (low performing) and portfolio risk considerations.  |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | SO1: Maximize Impact against HIV, TB and malaria<br>SO2: Build resilient and sustainable systems for health   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | KPI 2: Performance against service delivery targets<br>KPI 4: Investment efficiency<br>KPI 7: Fund utilization<br>KPI 10: Resource mobilization<br>Internal performance measurement of key population engagement in CCMs  |
| <b>Expected Outcomes</b>  | Increased impact and effectiveness of Global Fund allocations as a result of improved CCM performance is four areas of improvement: <ul style="list-style-type: none"> <li>• <u>Improved Oversight</u>: working towards grants' maximum impact and efficiencies, enhanced data-driven discussions and decisions, proactive risk management as well as co-financing commitments tracking.</li> <li>• <u>Engagement</u>: Proactive representation and enhanced quality of engagement of CCM CS constituencies (e.g., enhanced preparedness, meaningful participation in meetings and committees, involvement in oversight activities) in key CCM processes.</li> <li>• <u>Linkages</u>: Strengthened harmonization and alignment between GF programs, coordinating bodies and all relevant health programs.</li> <li>• <u>CCM functioning</u>: Enhanced performance and effectiveness of CCM Secretariats and Leadership resulting in a more sustainable and accountable body.</li> </ul> |
| <b>Expected Catalytic Effect</b>  | <input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g., accelerating program quality and effectiveness)<br><input checked="" type="checkbox"/> Leverage additional funding outside of Global Fund<br>CCM Evolution aims at ensuring country ownership and effective use of country allocations through improved CCM core functions of grant oversight, ensuring CS engagement and strengthened harmonization between GF programs and the national health response.<br>The project aims at catalyzing complimentary funding through county co-financing for CCMs as well as leveraging donor funding.<br>Furthermore, strategic oversight will lead to more effective and efficient grants through regular program reviews, proactive risk management and data-driven decisions.   |
| <b>Risk if this priority is not funded</b>                              | <input checked="" type="checkbox"/> Programmatic risk, e.g., affecting service delivery, systems<br>Not providing strategic technical support for CCMs would hinder CCMs' ability to perform effective grant oversight, improve the engagement of key CS constituencies,  |

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|  | and create linkages with all relevant in-country stakeholders to avoid duplication of efforts throughout the grant life cycle.   |
| <b>Other major funders and initiatives for this priority</b>   | <ul style="list-style-type: none"> <li>• GIZ has been funding total costs for implementing CCM Evolution activities in 3 Evolution countries.</li> <li>• Donors have also indicated interest in supporting specific work streams, such as civil society engagement.</li> <li>• After CCM assessments, we are proposing to ensure more coordinated and aligned support to countries between the GF and other partners.</li> </ul>   |
| <b>Can this be effectively funded through country allocations?</b>   | To avoid conflict of interest, some activities need to be centrally administered, whereas others could be embedded in direct funding to CCMs. The nature of the support provided to CCMs (both within the basic and strategic support) makes it difficult to be predicted in advance and requires flexibility to ensure an effective response tailored to the needs for each CCM.  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area? Please be specific and refer to slide on levers.</b> | <ul style="list-style-type: none"> <li>• <u>Core GF Framework Document</u> – Sets forth the Global Fund’s core principles on partnerships, country-ownership, performance-based funding, and transparency, which should facilitate the prioritization of CCM evolution activities.</li> <li>• <u>CCM Policy</u> - Sets forth the principles and requirements for Coordinating Mechanisms (CMs) which also determine eligibility for funding and provides guidelines on the CCM’s role in Global Fund processes, grounded in the core principles.</li> <li>• <u>STC Co-Financing requirements</u> - The Global Fund STC Policy highlights the responsibility of Ministries of Finance and Health to ensure that co-financing commitments have the necessary approval of the concerned governmental authorities. This facilitates CCM Evolution placing greater responsibility on CCMs for following up on co-financing commitments to ensure delivery.</li> </ul> |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>  | <ul style="list-style-type: none"> <li>• CRG Strategic Initiative supports key population engagement in GF processes through their representation on CCMs. This includes involvement of key populations in oversight, engagement and transition planning.</li> <li>• Data Strategic Initiative helps strengthen the flow of information in country, including information that can be used for decision making at the CCMs to inform funding request development and potential grant revisions.</li> </ul>   |

## Evolution of Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>   |  |
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| <b>Budget</b> <i>Approved out of total available</i> <sup>36</sup><br>\$3.85m (out of \$3.85m)  | <b>Fund Recipient:</b> The CCM Hub with GIZ: Benin, Burkina Faso, Cameroon, Lesotho, Malawi, Mozambique, Nepal, PNG, Tanzania, Uganda, Albania, Romania, Colombia, Guatemala, Burundi, DRC, Haiti, Niger   |
| <b>Progress Update</b>  | <b>Expected Outcome</b>  |
| <p>Since its inception in May 2018 by the GF Board, the project has been working towards implementing activities across four strategic areas in 18 CCMs (3 funded by GIZ), until December 2019. Noting the early stage of the project, below are some outputs achieved:</p> <ul style="list-style-type: none"> <li>• Baseline assessments are completed in 100% of countries.</li> <li>• Engagement with 18 country teams in prioritization and validation of CCMs interventions.</li> <li>• Disbursement of funds to countries for the implementation of engagement and oversight activities.</li> <li>• Deployment of activities started with an initial focus on on-going oversight capacity building activities: recruitment and</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Oversight:</b> improved quality of grants by improving the CCM/oversight committee’s capacity to carry out oversight activities, regular data-driven discussions and decisions, proactive risk management, and follow up on co-financing commitments.</li> <li>• <b>Engagement:</b> Proactive representation and enhanced quality of engagement of CCM CS constituencies in key CCM processes.</li> <li>• <b>Linkages:</b> CCMs and key partners sensitized on the need to strengthen harmonization and alignment amongst all relevant health programs.</li> <li>• <b>CCM functioning:</b> a performance management system for CCMs and secretariats instituted and implemented</li> </ul> |

<sup>36</sup> GAC-approved for SI’s and Board-approved for Multi-Country and Matching Funds

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| mentoring of oversight officers in 11 countries.,                                      |  |
| • Linkages: stakeholders' mapping and CCM anchorage options developed for 69% of CCMs. |  |

**Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?**

Based on the lessons learned in the evolution pilot phase, the focus of CCM Evolution SI from 2020- 2022 will be to shift our approach from providing TA to CCMs to placing them in the “driver’s seat”. We will be focusing on developing and providing CCMs with tools to improve their performance and move towards strategic levels of maturity in four key areas (oversight, linkages, engagement and CCM functioning).

Moving forward, below are some key lessons informing future interventions and implementation approaches

1. The CCM assessment approach and mechanism needs to shift from measuring compliance to actual strategic role and effectiveness of CCMs.
2. We need to ensure differentiation - of CCMs, CCM functions, etc. – across different setting and impact especially in High impact countries.
3. It is important to shift gears and focus on “strategic oversight” as well as “CCM Functioning” as key components to ensure that CCMs add optimal value to GF model.
4. We will aim at empowering CCMs to inform, lead and implement their own improvements – the focus will be put on cost-effective and sustainable mechanisms to strengthen performance such as leveraging peer-to-peer support between CCMs, CTs and partners, providing e-learning options.
5. Empowering CCM secretariats to play a more strategic role in training, informing and supporting CCM members to better fulfill their mandate.
6. Build approaches and systems that ensure continuous learning and improvement.

**What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?**

Essentially, the focus of this project to contribute to sustainable way of engaging with and strengthening cross-sectoral governance in countries. As such, we are:

1. Working towards mobilizing countries to increase domestic funding allocated to governance and coordinating bodies.
2. Building robust collaboration with various donors who invest in CCM strengthening to ensure alignment on priorities, approaches, resource management, pool funding, etc.
3. Empowering CCMs to inform, lead and implement their own improvement plans with a focus on cost-effective and sustainable mechanisms.



# TERG Independent Evaluation

## Proposal for 2020-2022

**Recommended Modality:** Strategic Initiative      **Recommended Recipient of Funds:** Evaluation Organizations based on RFP process

**Proposed Budget:** USD 22 million

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| <b>Objective and Rationale:</b>   | <p>Conduct independent evaluation of the Global Fund to supplement the independent evaluation budget in the OPEX. This is needed in addition to the OPEX budget to operationalize five broad priority areas of work that provide independent assurance to the Board and Committees, as part of the TERG's evaluation plan 2017-2022 approved by the SC. They are:</p> <ol style="list-style-type: none"> <li>1) To better understand and evaluate the pathways from investment to impact for all strategic objectives (SOs);</li> <li>2) To more robustly measure health impact;</li> <li>3) To optimize investments in country data systems;</li> <li>4) To conduct timely and objective program, thematic and strategic reviews and evaluations; and</li> <li>5) To maximize learning for organizational development and continuous program quality improvement.</li> </ol> <p>The workplan for this investment will be determined following an on-going review of the TERG (May 2019), deliberation and possible decisions by the Strategy Committee (July 2019) and TERG deliberation (September 2019), guided by the TERG evaluation plan 2017-2022 approved by the Strategy Committee.</p> |
| <b>Epidemiological context and country selection</b>                    | Independent evaluation may cover any of Global Fund supported countries.   |
| <b>Global Fund Strategic Objective(s) this priority contributes to:</b> | Measuring progress on all Strategic Objectives   |
| <b>Global Fund Strategic KPI(s) this priority contributes to:</b>       | Not applicable   |
| <b>Expected Outcomes</b>  | Achievement of grant targets, improvement observed in areas of underperformance  |
| <b>Expected Catalytic Effect</b>  | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Drive innovative or ambitious programming to accelerate progress towards Strategic Objectives</li> <li><input checked="" type="checkbox"/> Enable more effective use of country allocations (e.g. accelerating program quality and effectiveness)</li> </ul>  |
| <b>Risk if this priority is not funded</b>                              | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Programmatic risk, e.g. affecting service delivery, systems</li> </ul> <p>The TERG Independent Evaluation of progress toward the Strategy 2017-2022 and learning that can improve the Global Fund business model is a critical part of the Global Fund's accountability. Organizational reviews by partners (e.g. MOPAN) have relied heavily on TERG independent evaluations.</p>   |
| <b>Other major funders and initiatives for this priority</b>            | <ul style="list-style-type: none"> <li>• Gavi is increasing its collaboration with TERG on its evaluation, including some of recent reviews; prospective country evaluations; and a joint TERG-Gavi Evaluation Advisory Committee (EAC) meeting held in April 2019.</li> <li>• UNITAID has expressed interest in working with TERG's evaluation platform</li> </ul>  |



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| <b>Can this be effectively funded through country allocations?</b>  | No, this will not be possible without ring-fencing budget.  |
| <b>Besides catalytic funding, how do existing GF policies and processes facilitate prioritization in this area?</b> | The TERG Terms of Reference and evaluation plan 2017-2022 that have been approved by the Strategy Committee have prioritized the implementation of PCEs as the main methodology for independent evaluation of progress towards the 2017-2022 Global Fund Strategy.  |
| <b>Does this interact with another catalytic priority proposed for 2020-2022? If so, how?</b>                       | It is expected to have interactions with the Data SI in particular, but also with any other catalytic priority, depending on which catalytic investments are made in specific countries for evaluation. For example, there is close coordination and collaboration with the human rights catalytic investment during the current period |

### Evolution of the Catalytic Priority in 2020-2022

| <b>Progress to date for 2017-2019</b>   |   |
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| <b>Budget</b> <i>Approved out of total available<sup>37</sup></i><br>\$22m (out of \$22m) and notionally \$11m from grants  | <b>Fund Recipient:</b> EHG consortium and IHME/PATH consortium  |
| <b>Progress Update</b>  | <b>Expected Outcome</b>   |
| <ul style="list-style-type: none"> <li>Evaluation platform established in 8 countries; Two synthesis reports have summarized findings from all 8 countries. In 2018 report focus on evaluation of funding request and grant making process; mapping of data systems.</li> <li>In 2019 report focus on early grant implementation along results chain, including: <ul style="list-style-type: none"> <li>- GF business model in action; how key themes (e.g., Human rights, Gender, KPs) were addressed; and how RSSH, STC &amp; Value-for-Money activities were incorporated. On-going recommendations to enhance outcomes/impact of investments.</li> </ul> </li> <li>In addition, requested by the Secretariat, the TERG conducted a rapid assessment of the implementation of the new TB guidelines (MDR-TB and Latent TB) in selected countries using PCE as platform.</li> </ul> | <ul style="list-style-type: none"> <li>Improvements in national programs and Global Fund operations in the eight countries.</li> <li>Better understanding of how Global Fund policies and processes play out in countries and how they can be improved.</li> <li>Progress towards more robust and data-based estimates of outcomes and impact.</li> <li>Lessons learned that can inform a more thorough Global Fund approach to evaluation.</li> <li>Capacity to have been developed in country.</li> </ul> |

### Based on lessons learned from the 2017-2019 allocation period, what will be done differently in 2020-2022? Will the objective be different and if so, how?

The TERG will discuss and finalize the approach to independent evaluation in its meeting in September 2019 following SC deliberation and possible decisions in July 2019 based on a review of TERG, which is underway. This may include a more focused version of prospective country evaluations. Productive lines of evaluation identified to-date will be explored in greater detail and new areas addressed, including country specific.

### What measures will be put in place to sustain the outcomes to help ensure that this priority does not depend on set-aside funding beyond 2020-2022 allocation period?

Independent Evaluation budget will continue to be needed, either from OPEX, or set-aside funding. However, the TERG expects country level evaluation platforms such as Prospective Country Evaluations (PCE) to continue to be an important part of evaluation for countries as well as the region, and start attracting funds from domestic funding and other interested development partners.

<sup>37</sup> GAC-approved for SI's and Board-approved for Multi-Country and Matching Funds

## Annex 3 – Relevant Past Decisions

| Relevant past Decision Point   | Summary and Impact   |
|--|--|
| <b>GF/SC09/05 – Revision 1: Catalytic Investments for the 2020-2022 Allocation Period</b>                  | The Strategy Committee endorsed the Secretariat's recommendation to request the Board to approve the catalytic priorities and associated costs under different funding scenarios for the 2020-2022 allocation period, as set forth in Table 1 of GF/SC09/05 – Revision 1. In making its decision, the Strategy Committee amended the Secretariat's recommendation by: (i) prioritizing funding for TERG Independent Evaluations, to be financed across all funding scenarios; (ii) adding the "Condom Programming" priority, to be funded if \$800m or more is available in catalytic funding; (iii) adding a \$900 million scenario where the sources of funds for allocations are equal to or greater than \$13.1 billion; (iv) removing the \$0 catalytic scenario, requesting that the Secretariat return to the Strategy Committee with a new recommendation on catalytic investments if sources of funds are below \$10.1 billion; and (v) granting the Secretariat flexibility to (a) recommend an additional \$100 million of catalytic investments if sources of funds are above the midpoint of the relevant funding range, which may be allocated to priorities linked to the next higher funding scenario; (b) refine the associated costs for each recommended priority within 10% of the amount approved, and to present any reallocations of associated costs exceeding 10% for a specific priority for the Strategy Committee's approval; and (c) determine the operationalization of catalytic investments, and to update the Strategy Committee and Board on such operationalization. The Strategy Committee also requested that the Secretariat provide an update at the Strategy Committee's July 2019 meeting on plans to accelerate progress against the Global Fund 2017-2022 Strategy in the next allocation period, including further details on the planned operationalization of catalytic investments. |
| <b>GF/B36/DP06: Catalytic Investments for the 2017-2019 Allocation Period (November 2016)<sup>38</sup></b> | Based on the recommendation of the Strategy Committee (the "SC") and the amount of sources of funds for allocation recommended by the Audit and Finance Committee in GF/B36/03, the Board:<br><br>(i) Approved USD 800 million for catalytic investments over the 2017 - 2019 allocation period for the priorities and associated costs presented in Table 1 of GF/B36/04 - Revision 2, of which no portion will be moved to further balance scale up, impact and paced reductions through country allocations.<br><br>(ii) Noted the Secretariat will have flexibility to operationalize catalytic investments, update the SC and Board on such operationalization, and present any reallocations of the associated costs among the approved priorities for the SC's approval.<br><br>(iii) Requested the Secretariat to provide the SC with a scope of effort and expected outcomes at the start of all strategic initiatives and to seek SC approval during implementation if there is a substantial change to the relevant strategic initiative's scope.   |
| <b>GF/B36/DP05: Sources and Uses of Funds for the 2017-2019 Allocation Period (November 2016)</b>          | The Board approved USD 800 million for catalytic investments. The Board also decided that USD 10.3 million would be available for country allocations for the 2017-2019 allocation period, of which USD 800 million is to ensure scale up, impact and paced reductions.  |

<sup>38</sup> <https://www.theglobalfund.org/board-decisions/b36-dp06/>

| <b>Relevant past Decision Point</b>   | <b>Summary and Impact</b>  |
|---|--|
| <b>GF/B35/DP10: Allocation Methodology 2017-2019 (April 2016)</b> <sup>39</sup>                             | on the recommendation of the SIIC, the Board: <ul style="list-style-type: none"> <li>(i) Approved the allocation methodology presented in Annex 1 to GF/B35/05 - Revision 1 (the “Allocation Methodology”);</li> <li>(ii) Acknowledged the technical parameters for the 2017 - 2019 allocation period, as presented in Annex 2 to GF/B35/05 - Revision 1 and approved by the SIIC at its 17<sup>th</sup> meeting in March 2016 (the “Technical Aspects”); and</li> <li>(iii) Affirmed the restatement of core parts of the Funding Model Principles, as presented in Annex 3 to GF/B35/05 - Revision 1 (the “Affirmed Principles”).</li> </ul>   |
| <b>GF/SIIC17/DP05: Allocation Methodology 2017-2019 (March 2016)</b>  | The SIIC decided that the following parameters for the 2017 – 2019 allocation replaced those used for the 2014 – 2016 allocation period, as previously approved under decision point GF/SIIC09/DP01: (i) indicators for disease burden and country economic capacity, which represents a terminology update to ability to pay; (ii) maximum and minimum shares for the allocation; and (iii) external financing adjustment.  |
| <b>GF/B31/DP10: Composition of and Allocation to Country Bands (March 2014)</b> <sup>40</sup>               | Based on the recommendations of the SIIC, the Board approved: (i) the composition of four country bands for the 2014 – 2016 allocation period; (ii) the indicative amounts of funding allocated to each band; and (iii) the amount of incentive funding available for country bands 1, 2 and 3. These parameters no longer apply for the 2017 – 2019 allocation period.  |
| <b>GF/B31/DP09: Transition from the Third to the Fourth Replenishment Period (March 2014)</b> <sup>41</sup> | Based on the recommendations of the FOPC and SIIC, the Board approved the total amount of funds to be allocated to country bands (the “Total Allocation”). It also approved, to account for the shift from the rounds-based system to the allocation-based funding model, establishing the minimum required level as the greater of: (i) a 25-percent target reduction of a country-component’s most recent available four-year disbursements; or (ii) a country component’s existing grants pipeline as at 31 December 2013. These provisions addressed the unique circumstances of transitioning from the Third to the Fourth Replenishment and do not apply to the 2017 – 2019 allocation period. |
| <b>GF/B31/DP07: Regional Programs (March 2014)</b> <sup>42</sup>  | Based on the recommendation of the SIIC, the Board approved US\$200 million for new Regional Programs over the 2014 – 2016 allocation period, noting and distinguishing that multi-country applications would be funded through their constituent countries’ allocations.  |
| <b>GF/B31DP06: Special Initiatives (March 2014)</b> <sup>43</sup>   | Based on the recommendation of the SIIC, the Board decided that up to US\$100 million would be available over 2014 – 2016 for a specified list of special initiatives, including potential reallocation of funding across the approved special initiatives upon the approval of the SIIC, in consultation with the FOPC.   |
| <b>GF/SIIC09/DP01: Indicators for the Allocation Formula and the Band 4 Methodology (October 2013)</b>      | Under authority delegated by the Board, the SIIC approved the following parameters for the 2014 – 2016 allocation period: (i) indicators for disease burden and ability to pay; (ii) allocation methodology for Band 4 (i.e., countries with higher income and lower disease burden); and (iii) maximum and minimum shares for apportioning indicative funding to countries. At its 17 <sup>th</sup> meeting in March 2016, the SIIC approved parameters for the 2017 – 2019 allocation period, which replace those approved for the 2014 – 2016 allocation period.  |

<sup>39</sup> <https://www.theglobalfund.org/board-decisions/b35-dp10/>

<sup>40</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP10/>

<sup>41</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP09/>

<sup>42</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP07/>

<sup>43</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP06/>

| Relevant past Decision Point   | Summary and Impact  |
|--|---|
| <b>GF/SIICo9/DPo2: Management of Incentive Funding and Unfunded Quality Demand (October 2013)</b>  | Under authority delegated by the Board, the SIIC approved the process and methodology for awarding incentive funding as well as prioritizing and awarding potential funding for unfunded quality demand.  |
| <b>GF/B29/EDP11: Revising the distribution of funding by disease in the new funding model allocation methodology (October 2013)<sup>44</sup></b> | Based on the recommendation of the SIIC, the Board approved, for the 2014 – 2016 allocation period, the apportionment of resources available for allocation to country bands among the three diseases based on the following distribution: 50 percent for HIV/AIDS, 32 percent for malaria, and 18 percent for tuberculosis. The Board directed the Secretariat to ensure integrated TB/HIV services are addressed in the country dialogue and concept note development process for countries with high TB/HIV co-infection rates. Furthermore, the Board requested the SIIC to review this decision to develop and recommend appropriate modifications to the Board prior to the 2017 – 2019 allocation period.  |
| <b>GF/B29/EDP10: Division between Indicative and Incentive Funding (October 2013)<sup>45</sup></b>   | Based on the recommendation of the SIIC, the Board approved the method for determining the amount of incentive funding available for the 2014 – 2016 allocation period. For the 2014 – 2016 allocation period, incentive funding would be 10% for an Initial Allocation of up to USD 11 billion, 15% for an Initial Allocation over USD 11 billion and up to USD 13.5 billion, and 20% for an Initial Allocation over USD 13.5 billion. Furthermore, the Board approved a target minimum reduction of 20% of the most recently available three-year disbursement levels for the country components receiving funding above their formula-derived amounts. This served as the minimum required level in the form of a paced reduction of funding for such country components. Furthermore, the Board deemed those country components receiving more than 50 percent above their formula-derived amounts ineligible for incentive funding. The Board requested the SIIC to review this decision to develop and recommend appropriate modifications to the Board prior to the 2017 – 2019 allocation period. |
| <b>GF/B28/DPo4: Evolving the Funding Model (Part Two) (November 2012)<sup>46</sup></b>   | Based on the recommendation of the SIIC, the Board approved: (i) the alignment of three-year allocation periods with three-year replenishment periods; (ii) the principles for determining and composing country bands; (iii) the principles for allocating to country bands based on ability to pay and disease burden; (iv) the purpose and principles of indicative and incentive funding, as well as unfunded quality demand; and (v) the existence and role of certain qualitative factors that could adjust the results of the allocation formula, including, but not limited: major sources of external funding; minimum funding levels; willingness to pay; past program performance and absorptive capacity; risk; and increasing rates of new infections in lower prevalence countries. Furthermore, the Board requested the regular review of the key elements decided prior to each allocation period.  |
| <b>GF/B27/DPo7: Evolving the Funding Model (September 2012)<sup>47</sup></b>   | Based on the recommendation of the SIIC, the Board adopted principles for key elements of the allocation-based funding model, access to funding parameters for the allocation-based funding model, and requested the SIIC to work further towards evolving the funding model.   |

<sup>44</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B29/EDP11/>

<sup>45</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B29/EDP10/>

<sup>46</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B28/DPo4/>

<sup>47</sup> <http://www.theglobalfund.org/Knowledge/Decisions/GF/B27/DPo7/>

## Annex 4 – Summary of Strategy Committee Input

At its meeting on March 28-29, the Strategy Committee unanimously recommended Decision Point (GF/SC09/DPXX) and the catalytic investment scenarios in Annex 1.

1. [Presentation](#). The Strategy Committee reviewed the catalytic investments recommended by the Secretariat for the 2020-2022 allocation period, which were based on in-depth consultations with technical partners and a review of the available evidence, including epidemiological developments, KPI performance, implementation lessons from the 2017-2019 allocation period as well as independent TERG and TRP reviews. While all the recommended catalytic investments contribute to the strategic objectives and strategic KPIs, the Secretariat noted the potential for catalytic investments to respond to underperformance and accelerate progress towards the broader six-year targets of the Global Fund's 2017-2022 Strategy.
2. The Strategy Committee -endorsed prioritization approach provided the basis to assess all existing and potential new catalytic priorities against strategic impact and operational criteria. Each priority under consideration was viewed within the realm of the Global Fund's existing levers in order to assess the added value of catalytic investments in driving impact. Following an extensive consultation process with technical partners over several months – and based on their recommendations – the Secretariat applied the prioritization criteria to all proposed catalytic investments to prioritize them into groups to be funded in scenarios of \$200 million, \$400 million, \$600 million, and \$800 million set-aside for catalytic investments, depending on the ranges of available sources of funds for allocation. These catalytic funding amounts were determined based on the modelled results of 2020-2022 allocation scenarios showing the scale-up of funding in country allocations under different funding envelopes, which the Secretariat presented to the Strategy Committee in October 2018. While catalytic investments respond to critical needs that cannot be addressed through allocations alone, the amount set-aside for catalytic funding determines the level of funding available for country allocations, affecting the rate of scale-up and pacing of reductions.
3. The Secretariat recommended twenty-five catalytic priorities, discontinuing four catalytic investments from the 2017-2019 allocation period and adding three new priorities: HIV Differentiated Service Delivery, TB Preventive Treatment, and Innovative Financing. The proposed budgets for the recommended priorities is \$879 million, which means that even under an \$800 million scenario, not all catalytic investments could be fully funded. The proposed priorities were fully aligned with partner recommendations, with the exception of “Condom Programming,” which the Secretariat indicated would be best addressed in country allocations or supported by other funders.
4. To reflect recommendations received prior to the meeting, the Secretariat also presented additional options for catalytic investments, beyond what was presented in the Strategy Committee paper. One option presented TERG independent evaluations in all catalytic investment scenarios, as per the recommendation of the Coordinating Group. In addition, taking into account the suggestions of several constituencies, the Secretariat presented a \$900 million scenario whereby all catalytic investments would be fully funded if sources of funds for allocations are at least \$13.1 billion, as well as an alternative option if sources of funds for allocation are below \$10.1 billion whereby the Secretariat would return to the Strategy Committee with a recommendation on catalytic investments rather than including a scenario with \$0 catalytic funding as originally presented.
5. [Strategy Committee discussion](#). The Chair guided the committee to focus on the recommended scenarios for catalytic investments based on the different ranges of sources of funds for allocation (“funding ranges”), the prioritized groupings of catalytic investments, and the prioritization principles. The Strategy Committee acknowledged the comprehensive evidence review and intensive prioritization process that resulted in the recommendations by technical partners and the Secretariat.
6. The Strategy Committee acknowledged that funding for country allocations should be safeguarded to ensure sufficient scale-up and continuity of services, following the Secretariat's explanation that the recommended amounts for catalytic investments were based on assessing scale-up needs given increasing coverage needs, the evolving costs of new interventions, the need to address issues like essential programming country-by-country, the need to prevent systems strengthening investments from getting crowded out to fund key commodities, and the decreased ability to catalyze when country allocations need to be backfilled to maintain continuity. However, many Strategy Committee members emphasized that not providing enough funding for catalytic investments also presents a risk, and indicated that some priority areas may need to continue under any funding scenario. Therefore, the Strategy Committee supported the amendment to the Decision Point, requesting the Secretariat

to return with a recommendation on catalytic investments should available sources of funds for allocation be below \$10.1 billion.

7. Some Strategy Committee members noted the need to demonstrate more ambition by having an option to invest more in catalytic priorities if the sources of funds for allocations are at least \$13.1 billion and expressed support for the “\$900 million scenario” presented by the Secretariat. There was discomfort around fixing budget amounts for each priority before further consideration of expected results and operationalization implications. In addition, there was concern that the incremental amounts of \$200 million between the catalytic funding scenarios represented a significant difference for each range of sources of funds. Therefore, the Strategy Committee recommended delegating flexibilities to the Secretariat on refining budget amounts across approved priorities, and the possibility of recommending to the Board (and subsequently reporting to the Strategy Committee) an additional amount up to \$100 million for catalytic investments if sources of funds for allocation are above the midpoint of a funding range.
8. Additional information was sought on the catalytic priorities under resilient and sustainable systems of health (RSSH) and cross-cutting areas. In particular, the Strategy Committee requested stronger articulation of the catalytic effect and contributions to the three diseases. The Strategy Committee emphasized that the development and implementation of RSSH priorities must be well-aligned to disease programs and in collaboration with partners. The importance of linking to the RSSH Roadmap and community responses was highlighted. With respect to the option of funding TERG independent evaluation under each catalytic investment scenario, the Strategy Committee Chair noted the Coordinating Group’s discussion on its importance. He also clarified the recommendation would not be specific to PCEs; instead, it was about funding independent evaluation in any scenario.
9. Reviewing the prioritized groupings, the Strategy Committee noted the importance of “Condom Programming” given that the potential catalytic investment was endorsed by HIV partners and assessed by the Secretariat as being strategically relevant but, in determining catalytic priorities within limited resources, within the scope of being addressed through country allocations. There were also concerns on continuing to fund the RTS,S vaccine pilot given poor vaccine efficacy and value for money compared to other malaria interventions to date. There was support for TERG independent evaluations and CCM Evolution as cross-cutting areas, although views differed on their prioritization and catalytic nature.
10. After significant discussion, the Strategy Committee unanimously approved the amended Decision Point (GF/SC09/DPO4), which approves the catalytic scenarios in Annex 1 (GF/SC09/05 – Revision 1), which included:
  - a. Prioritizing funding for TERG Independent Evaluations in Group 1, where the investment will be financed across all funding scenarios, noting the criticality of independent evaluation;
  - b. Adding the “Condom Programming” priority in Group 4, to be financed at \$10 million if \$800m were available for catalytic funding. The trade-off recommended was to reduce the Innovative Finance priority by \$10 million;
  - c. Adding a \$900 million scenario if the sources of funds for allocations are \$13.1 billion or above, endorsing the principle of fully funding recommended priorities in this scenario;
  - d. Removing the \$0 catalytic scenario and requesting the Secretariat to return to the Strategy Committee with a new recommendation on catalytic investments (and any other strategic actions) if sources of funds for allocation are below \$10.1 billion;
  - e. Granting the Secretariat flexibility to recommend an additional amount up to \$100 million of catalytic investments if sources of funds for allocation are above the midpoint of a funding range, which may be allocated to priorities linked to the next higher funding scenario;
  - f. Granting the Secretariat flexibility to continue refining the associated costs for each recommended priority within 10% of the amount approved under the applicable scenario – changes that exceed 10% will be presented to the Strategy Committee for approval; and
  - g. Noting the Secretariat will have flexibility in operationalization of catalytic investments.

#### Action Points

- The Strategy Committee will recommend to the Board in May 2019 the Decision Point on Catalytic Investments for the 2020-2022 Allocation Period.
- The Secretariat will:

- Revise the Decision Point on Catalytic Investments for the 2020-2022 Allocation Period and the scenarios in Annex 1 of the Strategy Committee paper (GF/SC09/05) according to the Strategy Committee's recommendation for the Board;
- Update the Catalytic Investments proposals in Annex 2 of the Strategy Committee paper (GF/SC09/05) for the Board paper, including clarified rationale on RSSH priorities;
- Return to the Strategy Committee with a recommendation on catalytic investments if sources of funds for allocation for the 2020 – 2022 allocation period are below USD 10.1 billion, for recommendation to the Board;
- Update the Strategy Committee and Board on exercising the flexibilities specified in the Decision Point, including seeking the relevant approval where required; and
- Provide an update to the Strategy Committee in July 2019 on plans to accelerate progress against the Global Fund 2017-2019 Strategy in the next allocation period, including further details on the planned operationalization of catalytic investments.