

Report of the 52nd Board Meeting

GF/B52/ER05
52nd Global Fund Board Meeting
Lilongwe, Malawi

For Board Decision

Board Decision

Purpose

This document presents the Report of the 52nd Global Fund Board Meeting, held in person in Lilongwe, Malawi from 20-22 November 2024.

Agenda items: The Meeting comprised of twelve (12) agenda items and no executive sessions.

Decisions: The Report includes a full record of the eight (8) Decision Points adopted by the Board (Annex 1).

Documents: A document list is attached to this Report (Annex 2).

Glossary: A glossary of acronyms can be found in Annex 3.

Decision

The Report of the 52nd Board Meeting was approved by the Board of the Global Fund via electronic vote on XX 2025 (GF/B52/EDP07).

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Report

01. Board Meeting Opening

1. The Board convened in Lilongwe, Malawi on 20-22 November for the 52nd Global Fund Board Meeting. The meeting was preceded by pre-day sessions on [Human Rights, Climate and Health and Public Financial Management], where senior government officials from Malawi and the region, regional experts, and distinguished guests shared their reflections on these critical topics.
2. The President of the Republic of Malawi, His Excellency Dr. Lazarus McCarthy Chakwera, hosted a high-level opening event to welcome the Global Fund and Board members to Malawi. This high-level opening¹, attended by government representatives including the Minister of Health of Malawi, Honorable Khumbize Kandodo Chiponda, M.P, highlighted successes of the country and region's partnership with the Global Fund and set the context for the meeting in Malawi. Ministers from the region and key dignitaries celebrated the longstanding partnership between the Global Fund and Malawi and re-affirmed their commitments to achieving Sustainable Development Goal 3 (SDG3).
3. The high-level opening included a discussion on Accelerating Implementation of Global Fund Investments in Resilient and Sustainable Systems for Health to Maximize the Impact and Sustainability of HIV, TB and Malaria Responses. Speakers included the Honorable Minister of Health and Social Welfare of Liberia; Honorable, Minister of Public Health and Population of the Central African Republic; Honorable Commissioner of the Health Service Commission of Zimbabwe; Senior Advisor to the Minister on Health Economics at the Ministry of Health of the Republic of Indonesia alongside the Executive Director of the Lean on Me Foundation ;the Coordinator of TB Women Global, Kenya and the Executive Director, Pentecostal Advocates for Socio-Economic Development of Cameroon.
4. The First Lady of the Republic of Malawi, Her Excellency, Madame Monica Chakwera also hosted Board members, community health workers, youth and key partners for an advocacy discussion to “amplify voices to end TB stigma”.

Board Meeting Opening

5. The Board Chair welcomed new members, participants and guests including those who joined online. Quorum was confirmed on all meeting days. The Board Chair extended the Board and Secretariat's gratitude to the Malawian authorities for their hospitality in hosting the Global Fund's 52nd Board meeting.

¹ Participants included: Dr John Kaseya, Director General of the Africa Center for Disease Control and Prevention; Minister of Public Health and Population of the Central African Republic, Dr Pierre Somse; Minister of Health and Social Welfare of Liberia, Dr Louise M Kpoto; Deputy Minister of Health of the Republic of South Africa, Mr Joe Phaahla; Ambassador-at-large and United States Global AIDS Coordinator; Dr John Nkengasong; Major General Gwinji, Commissioner of the Health Services Commission of Zimbabwe; Dr Bayu Teja Muliaawan, Senior Advisor to the Minister of Health of the Republic of Indonesia; Executive Director, Lean on Me Foundation, Ms Maureen Murenga; Executive Director, Pentecostal Advocates for Socio-Economic Development, Cameroon, Mr Joseph Wato; Youth Council Chair and Vice-Chair, Ms Grace Ngulube and Mr Horacio Barreda.

6. In her opening remarks, the Board Chair noted the series of critical and interlinked decisions to be taken at the meeting, recognizing the culmination of months of preparation and effort to reach the recommendations presented to the Board. She highlighted the two Board retreats, numerous Strategy Committee (SC) meetings and constituency consultations all aimed to reach a compromise on the strategic direction, funding scenarios and levers available to maximize impact and sustainability in a changing global context. The Board Chair reflected on the high-level event and the Board's presence in an implementing country, highlighting these as a timely reminder of the incredible progress and strength of the Global Fund partnership. She reiterated the need to unite to accelerate progress towards SDG 3 in the face of multiple global crises and resource constraints.
7. The traditional candle of remembrance was lit by the Board Member from the Private Foundations Constituency, Kieran Daly, who recalled lives lost and those that continue to be lost as a result of the three diseases. He acknowledged the recent loss of Cornelus Baker, a US based HIV leader and activist, whose work in the HIV response had a remarkable impact globally. Mr Kieran Daly also highlighted the opportunity presented by new tools and innovations in changing the course of the epidemics, he recognized new HIV prevention tools, new TB diagnostics and more effective Malaria products which are being deployed at scale as progress towards eliminating the diseases. He reminded the Board that the Global Fund remains a beacon of hope for the world's poorest and vulnerable, and urged the partnership to not waver in its resolve to continue saving lives, and put an end to the three epidemics.
8. Declarations of Interest: The Ethics Officer thanked governance officials for their due diligence in executing their duty of care to the organisation, and sought declarations of interest at the start of the meeting. Constituencies declared actual or potential Conflicts of Interest (COI) in relation to the meeting agenda, based on their current membership as Principal/Sub-recipients, Country Coordinating Mechanisms (CCMs) members, suppliers, technical partners, financing partners and other entities involved in the negotiations to receive grants. All declarations were cleared by the Ethics Officer.

Decisions

9. The Board approved the decisions to adopt the agenda of the 52nd Board Meeting (GF/B52/DP01) and to appoint Kieran Daly from the Private Foundations Constituency as rapporteur (GF/B52/DP02).

02. Progress Update: HIV, TB, Malaria and RSSH

Presentation:

10. The Vice-Chair of the Board introduced the session on HIV, TB, malaria, and RSSH explaining that the Secretariat would provide a progress update on the three diseases and RSSH whilst

also providing Board members with a disease-specific, performance and data-based foundation for subsequent sessions of the Board meeting. Touching on elements of strategic performance, challenges and risks, inclusive of community, rights and gender which are integrated into these investments, the Secretariat specifically featured key insights such as:

HIV

11. Whilst the Global AIDS report demonstrates progress in fighting HIV, there are still many challenges that need to be addressed: better access for key populations, children and men; strengthening of preventive platforms and tools; affordable tests and drugs (including injectable PrEP). Alongside the challenges the Secretariat noted the operating context around human rights, recalling the gender backlash, increase in regressive rights, and shrinking civic space, which are likely to slow progress and render it ultimately unsustainable. Progress is uneven by region, by population and by programs, and it was noted that key populations, vulnerable populations and underserved communities are often being left behind.

Tuberculosis

12. There has been demonstrable and impressive progress in fighting TB due to decentralization and adaptations to community and private sector platforms. The Secretariat noted however, that major challenges remain, citing the slow decline in new infections; lagging detection of drug-resistant TB; and insufficient preventive TB treatment.

Malaria

13. The last decade has been one marked by success in scaling up malaria interventions and significant decreases in incidence and deaths. The Secretariat appreciated the advancements in technology and recalled that substantial investments in innovation to develop, test and deliver new nets have resulted in newer tools such as Dual AI Nets. However, they noted with regret that progress has stalled, and in some places, there are reversals of the gains achieved. They cited challenges including population growth, insecurity, climate change, emerging biologic threats – including insecticide and drug resistance, invasive vectors and parasite adaptations, and gaps in coverage of core interventions across all countries. The Secretariat highlighted the need to better understand and remove barriers and to work through the Partnership whilst continuing to strengthen community and primary health care systems.
14. The Secretariat noted that, including the investments through the COVID-19 Response Mechanism (C19RM), grant cycle 7 has seen the largest investment in RSSH in Global Fund's history. The Secretariat noted that there have been strong results in the key areas such as human resources for health, laboratory, surveillance and community systems. They also noted that leading up to grant cycle 8, there will be a focus on where integration enhances HIV, TB and Malaria performance and programmatic sustainability.
15. The Secretariat acknowledged the high human and economic costs of not maintaining the current momentum in the programs in the three diseases, RSSH and the communities and people they serve.

Discussion

16. Board members sought points of clarification and made the following key observations:
17. The Board echoed the Secretariat in underscoring the importance of the Global Fund partnership in driving impact. One member highlighted the collaboration within this partnership has catalyzed progress in the HIV response, and has a strong effect overall.
18. Board members expressed some concern on how progress might be at risk given gaps in essential lifesaving services in grant cycle 7 (GC 7). Some Board members articulated the need for a strategic discussion around sustainability anticipating any and all outcomes of the Eighth Replenishment.
19. Several Board members highlighted innovations being key, particularly to maximize resources. Board members asked about the most cost and impact-effective innovations that are currently in the pipeline that may be game-changers; and the cost of innovations in the pipeline and linked those to replenishment scenarios.
20. One Board member enquired about how to improve integration including at grassroots level. Another Board member reaffirmed equity as key to addressing the goals we set out to achieve and asked how to increase the percentage of grant activities that are gender equity focused. Another Board member questioned how human rights levers can be used more efficiently to see change and reach our goals.
21. Board members also highlighted that the Global Fund partnership needs to ensure that vulnerable and key populations are part of the investments and the sustainability response.
22. Several Board members underscored the importance of a strong Eighth Replenishment, identifying this as the best way to ensure sustained progress in the fight against the three diseases and strengthening systems.

03. Report of the Executive Director

Presentation

23. The Executive Director (ED) presented his report to the Board. As part of this presentation, the ED shared that whilst there was a lot to be proud of, there were challenges ahead for the Partnership. Nevertheless, he expressed confidence that the Partnership was up for the task ahead to address these challenges.
24. The ED highlighted key achievements during 2024 such as the high quality of programs invested in countries as part of Grant Cycle 7, the launch of IT Service Center, and announced organizational changes such as moving the Health Finance Department to the Finance and Administration Division and changes to Programmatic Monitoring and Risk Division. Despite

these successes, the ED acknowledged the challenges that staff have faced including feeling overstretched and anxious about the future.

25. Looking forward, the ED stated that 2025 will be an important year from the perspective of implementation; and the impact that the replenishment will have on the trajectory of the Partnership.
26. The ED shared his reflections regarding the three diseases and RSSH:
- i. On HIV, long-acting PrEP and Lenacapavir present a great opportunity in the fight against HIV. However, innovations such as Lenacapavir only matter if the most vulnerable have access to them and therefore the Global Fund needs to be smart on how it engages with the current climate on human rights.
 - ii. On TB, the rebound from COVID-19 was a cause for celebration, specifically the record case notifications. However, he acknowledged that this should be tempered by the low baseline, the lack of funding available, and that those “missing cases” are from the most marginalized individuals.
 - iii. On Malaria, the ED expressed regret on the slower progress made on malaria and how climate change and funding limitations make the battle more difficult. Nevertheless, malaria is still beatable through empowering countries to optimize programmatic decisions and financial commitment.
 - iv. On RSSH, the ED explained that C19-RM funding has enabled the Global Fund to become the largest investor of pandemic response and health systems in low and middle-income countries. Given that funding ends at the end of 31 December 2025, there is a chance that this deadline will lead to sub-optimal use of funds. Therefore, he raised a potential need for limited extensions in some countries until 31 December 2026.
27. Lastly, the ED concluded with distinct calls to action to implementor governments, donors, civil society/communities, and technical partners, with a universal call to enter 2025 on the front foot and to come out of the Board meeting united.

Board Discussion

28. The Board commended the ED on a well-written report and the Secretariat for its efforts. The Board discussed the following points:
29. Eighth Replenishment: Many Board members acknowledged that achieving a successful replenishment will be critical in ensuring continued progress against the diseases and in strengthening systems. The full Partnership spoke to collective action and a robust investment, while some members urged donors to prioritize funding commitments and a successful Global Fund replenishment.
30. Equity and Human Rights: A strong focus was placed on protecting marginalized and underserved communities, with repeated calls for addressing human rights and gender equity issues. Stakeholders emphasized the need to empower communities, involve them in decision-making, and provide focused support in fragile and challenging environments. Several Board

members noted that safeguarding the rights of vulnerable populations should remain at the forefront of the Global Fund's mission.

31. Innovation and health systems: Innovation was celebrated as a key driver of progress, with tools like Lenacapavir and advancements in artificial intelligence (AI) and digital health being cited as game changers. Board members urged the Global Fund to continue investing in new technologies and strengthening health systems.
32. Global Collaboration and Partnerships: The Global Fund's role as a partner to countries, civil society organizations (CSOs), and the private sector was emphasized throughout the discussions. Board members highlighted the importance of alignment and coordination across global health initiatives. This was seen as a way to reduce costs, enhance coordination, and drive sustainable results whilst working with country systems. Donors and other partners were encouraged to collaborate more effectively with implementer countries to maximize the impact of Global Fund-supported initiatives.
33. Sustainability and Long-Term Impact: Sustainability was a recurring theme, with reference made to the key sustainability decisions to be made at the Board, including the sustainability transition and co-financing and eligibility policies. Board members highlighted the importance of efficient resource allocation, domestic resource mobilization, and innovative financing mechanisms to address high financial demands and ensure sustainability. Emphasis was placed on adapting to global economic challenges, rebalancing portfolios to reflect disease-specific realities, and focusing on differentiated approaches.

Secretariat Response

34. The ED appreciated and acknowledged the comments from Board members. He recognized that several comments would be addressed at length in subsequent Board sessions but made a few points in addressing the comments from the Board on his report. He emphasized that whilst the Board is, by design, diverse, the Partnership must come together in order to arrive at tough decisions. He also reiterated the importance of innovation as a lever to address the challenges the Global Fund faces and enable it to achieve its goals. As part of this, the Global Fund must remain committed to its central principles such as country ownership and health equity.

04. Sustainability: Recap and Context Setting

35. The Board Chair introduced the following four sessions focused on sustainability, including Eligibility; Sustainability, Transition and Co-Financing; Allocation Methodology; and Catalytic Investments, highlighting the holistic nature of the proposals. She acknowledged the extensive consultative processes to develop the proposals, including taking into account themes emerging from previous Board Retreat discussions. She highlighted that the proposals put forward are solid recommendations and acknowledged the compromises that some constituencies have made in the spirit of duty of care to the Global Fund's mission. She encouraged constructive

engagement, reminding Board members to be mindful of Committee transitions in May 2025 to avoid relitigating or interrupting progress, as the Board had specifically requested early consideration of these policies to adequately prepare for the next grant cycle. The Board Vice Chair further emphasized the interconnected nature of the policies.

36. The Secretariat's Head of Strategy and Policy, provided additional context on the holistic sustainability policy proposals, emphasizing that the proposals, while difficult decisions to make, were informed by the need to protect progress against the three diseases and the Global Fund mission. He noted that these decisions are not the endpoint of the broader sustainability conversation, but that discussions will need to continue in preparation for Grant Cycle 8. He thanked the Secretariat, the Strategy Committee (SC), and the Strategy Committee Leadership (SCL) for their strong engagement and efforts, which have culminated in the proposals presented to the Board and emphasized the importance of making decisions together in a holistic way, considering trade-offs while mitigating risks as best as possible.

05. Sustainability: Eligibility

Presentation

37. The Secretariat presented the proposed revisions to the Eligibility Policy for Board approval, noting that these changes were part of a holistic set of sustainability-related policy decisions being proposed across Eligibility, Allocation Methodology and Sustainability, Transition, and Co-financing policies, as well as Catalytic Investments (CIs). The Secretariat reminded the Board that major changes to eligibility were considered and excluded as part of the July Board Retreat. With more than 120 countries eligible for at least one disease component, major changes would have resulted in restricting eligibility without providing a sufficient timeline for exit, and would have impacted the most vulnerable, resulting in the disruption of services and impacting regions where incidence is on the rise.
38. The Secretariat noted that the policy was last reviewed in 2021/2022 prior to GC7, and that this review looked specifically at the use of GNI per capita (which was supported through an external review) as the metric for economic capacity for both eligibility and the allocation methodology. This review highlighted that GNI per capita continues to be a robust and appropriate indicator to capture country economic capacity, despite not addressing in-country equity or adequately capturing government fiscal space, and is based on a robust methodology, has a high quality of data and is readily available across the majority of countries and is transparent. As eligibility solely determines who is eligible, the Secretariat noted that adding additional metrics could only result in making more countries eligible.
39. The proposed revisions seek to: (i) provide greater clarity around transitioned country components being ineligible; (ii) incorporate additional flexibility for transitioned components to be included in multi-country grants; (iii) improve clarity around the absence of World Bank income classification data; and (iv) make minor clerical changes. The Secretariat thanked technical

partners for their review of disease burden metrics for upper-middle income (UMI) countries and noted that no changes were recommended.

40. The Secretariat provided a brief explanation of how the Eligibility Policy works and noted that this is complimented by a policy for non-eligible countries in crisis. The Secretariat reiterated that the policy is based on data provided by partners and that any exceptions to the Policy require Board approval.
41. The SC Chair noted that SC members, while supportive of the revisions, acknowledged that there may be a need to consider the breadth of the policy in the future. The SC Chair noted that the requirements for UMI eligibility would be reviewed in advance of Grant Cycle 9, in particular the OECD DAC requirement.

Board Discussion

42. Multi-country eligibility: The Board welcomed the proposed revisions, in particular changes to the requirements for multi-country eligibility which will allow for previously transitioned components to be considered as eligible for the purposes of determining multi-country eligibility thresholds. Some constituencies highlighted the importance of multi-country modalities to support communities, address legal barriers to social contracting and human rights related issues.
43. Disease burden metrics: Malaria partners clarified the rationale behind maintaining the use of an average of 2000-2004 data for determining UMI malaria eligibility, noting that this remains appropriate as this represents the potential transmission intensity in countries prior to the mass scale up of vector control, and without it, malaria would rebound. It was also clarified that while a change is being recommended for the allocation methodology technical parameters, it is not recommended for malaria as it would not impact eligibility. TB partners continued to support the metrics for UMI eligibility, noting the concentration of TB in middle-income countries. HIV partners also expressed support for maintaining the current metrics.
44. Use of GNI per capita: Some constituencies voiced concerns around the use of GNI per capita to determine eligibility citing that it lacked nuance with respect to key population epidemics, climate change and humanitarian and challenging operating environments (including the impact of migrations and refugee influx) and the impact of anti-rights movements and structural inequalities. Some constituencies raised questions around the definition of crisis and whether it should be broadened to incorporate countries with anti-rights environments impacting key populations and whether to consider regional particularities with respect to the policy for non-eligible countries in crisis.
45. Transition planning: While articulated in the revised Sustainability, Transition and Co-financing (STC) policy, the Board noted the importance of ensuring transparency and dialogue with country stakeholders around negotiation of timelines. With respect to HIV, the Board expressed concern around the rise of new infections in UMI countries and the need to ensure continued service provision and that funding was focused and reflective of the maturity of the HIV program. In this context, the need for driving efficiencies and shifts to adapt programs to meet programmatic

needs was noted. Some constituencies also remarked that post-transition, services, in particular for communities and key populations, are not maintained. Early planning is required for sustainable transitions starting with GC7 and coordination of technical assistance for those nearing transition with PEPFAR (where relevant) and UNAIDS would be beneficial.

46. Future eligibility: The Board noted that in the event of constrained funding, eligibility may need to be revisited in the future and acknowledged the importance of ensuring funding for key populations.

Secretariat Response

47. The Secretariat thanked the Board for their comments and support for the proposed revisions and appreciated the Board reflecting on the broader mission of the Global Fund. The Secretariat noted the concerns raised by implementers in ensuring eligibility remains broad and donor concerns around ensuring focus on those countries with the least ability to pay.
48. Disease burden metrics: The Secretariat highlighted that eligibility lists are published annually using transparently reported data to ensure countries have visibility on possible changes to eligibility. Regarding changes in disease burden, it was noted that in the event of discrepancies in burden data provided by WHO and UNAIDS, the Secretariat seeks clarification. The Secretariat concurred with the Board on the need to communicate early regarding the impact of the changes and called on the partnership to help communicate the sustainability related policy decisions. The Secretariat reiterated that any exceptions to eligibility require oversight of the SC and Board approval as the Secretariat does not have the authority to make exceptions to eligibility.
49. Use of GNI per capita: the Secretariat noted the concerns raised and that the challenge with incorporating other metrics is that they are not widely available across all countries, and while imperfect, it does not determine the 'how' and 'what' the Global Fund finances. The Secretariat also recalled that GAVI uses GNI to determine eligibility and that the Global Fund eligibility policy results in the largest cohort of countries being eligible amongst comparable global health institutions. The Secretariat noted the importance of ensuring that the Eligibility policy use transparent data and not introduce subjective elements.
50. Operationalization: the Secretariat noted that eligibility is the first step in a multi-faceted process of designing grants. The SC Chair reiterated that the sustainability-related policy decisions, while addressing several of the sustainability levers, do not necessarily address all issues countries are facing or determine how country grants are operationalized (including their focus) and managed.

Conclusion and Action Points

51. Under the oversight of the SC, the Secretariat will review the application of the OECD-DAC requirement for UMI eligibility across HIV, TB and malaria in advance of Grant Cycle 9.

06. Sustainability: Sustainability, Transition and Co-financing (STC) Policy

Presentation

52. The Secretariat presented proposed revisions to the STC Policy for Board approval highlighting that the Policy is part of a complementary holistic set of policy changes aimed at reinforcing sustainability considerations across the portfolio, including the changes recommended across the Eligibility Policy, Allocation Methodology, and Catalytic Investments (CI) priorities for GC8. The Secretariat provided an overview of the relevant background and context, including the value of the existing STC Policy and how the revisions respond to the changing context (particularly the economic challenges facing countries) and reflect significant lessons learned (including from formal reviews and ongoing implementation). While not exhaustive, the Secretariat noted the main high-level objectives of the revisions included in the policy: (i) improving predictability; (ii) reinforcing sustainability across the entire portfolio; (iii) increasing focus on efficiency and value for money; (iv) strengthening the strategic focus and impact of co-financing; and (v) improving clarity, simplification, and differentiation.
53. The Secretariat highlighted the most substantive changes in the revisions across the sustainability, transition, and co-financing pieces of the Policy and how the revisions seek to amplify the impact of the Policy as a whole. The Secretariat also highlighted how Strategy Committee feedback was incorporated into the revisions, and/or will be considered in upcoming operationalization and implementation efforts.

Board discussion

54. Overarching comments: Many Board members expressed appreciation for the Secretariat's efforts in developing the proposal and the way it reflects lessons learned from implementation.
55. Transition: Some Board members highlighted the importance of ensuring countries learn from the experiences of successful transition and ensure transition timelines are communicated well in advance with countries. One Board member asked for clarification on the criteria and process for determining transition timelines and what oversight role the committees will have.
56. Evaluation and monitoring: Many Board members commented on the importance of ongoing evaluation and monitoring of policy implementation to ensure the revised policy is delivering on its objectives. Board members welcomed the Secretariat's commitment to reviewing the STC Policy ahead of GC9, as well as stressing the importance of independent evaluation and overall learning from policy implementation.
57. Communities and CSOs: Several Board members emphasized the importance of a strong role for communities and CSOs, especially to address the sustainability of programmatic interventions that support access for key and vulnerable populations, including in the context of transition. Specific thematic areas highlighted included considering more direct funding for

CSOs, enhanced overall collaboration between the Global Fund and communities, increased capacity building and the prioritization of interventions for key and vulnerable populations in the Global Fund's overall sustainability, transition and co-financing efforts.

58. Reporting and transparency: One Board member asked how and when co-financing commitments will be reported to the Board and what aspects this reporting would cover. Another Board member asked how transparency will be operationalized, specifically with reference to waivers, exceptions and any adjustments made under the revised policy.
59. Operationalization and implementation: Some Board members noted the need for strong operationalization and focus on implementation of the policy, including the importance of robust operational guidance. This includes details on how specific programmatic commitments will be developed and assessed, how the financial / economic capacities of countries will be taken into account when developing co-financing requirements, how co-financing will be coordinated with other donors, how support for transition will be provided, and how the Global Fund will prioritize interventions that support access for KVP during implementation. One Board member asked how to ensure co-financing is prioritized in portfolios where the Principal Recipient is not a government entity.
60. Alignment with other GHIs: Several Board members emphasized the importance of coordination with other entities in the implementation of the Policy, including other GHIs (such as GAVI), multilateral development banks and other partners.

Secretariat response

61. Transition: The Secretariat explained that a principles-based approach will be applied to support the transition processes, noting that the Secretariat would engage with countries on transition timelines to ensure clarity and effective planning.
62. Evaluation and monitoring: In response to the comments on evaluation and learning, the Secretariat noted that an evaluation of sustainability is on the Multi-year Evaluation Calendar and the exact timing will be discussed with the Strategy Committee as part of the annual evaluation workplan.

Communities and CSOs: The Secretariat noted the input around a strong role for communities and CSOs in sustainability and transition processes, which also links to broader discussions on revised models of grant implementation.

Reporting and transparency: The Secretariat agreed that reporting is a critical priority for the revised STC Policy and highlighted that both the STC Policy and the accompanying Board paper lays out specifically what the Secretariat will be reporting to the Board and relevant Standing Board Committee. As described in the preamble to the STC Policy, this includes co-financing commitments and outcomes; the use of waivers and flexibilities during policy implementation; countries where transition timelines have been negotiated; overall updates on sustainability and transition planning; updates on the implementation of innovative finance efforts; and updates on operationalization.

63. Alignment with other GHIs and partners: The Secretariat noted the importance of alignment and collaboration with partners. The Secretariat noted that joint guidance was recently published by GAVI and the Global Fund on how the respective organizations will work together on co-financing for malaria responses. However, the Secretariat explained that collaboration is not limited to GAVI, and will include many different partners, including bilateral. For example, there are already collaborations underway to support the sustainability planning processes related to HIV (including the sustainability roadmaps) and that overall collaboration will be a priority during policy implementation.
64. Operationalization and implementation: The Secretariat highlighted that operationalization and implementation of the Policy will be a major focus and noted that the broad range of thematic areas highlighted by the Board were also reflected in Strategy Committee discussions. While not exhaustive, the Secretariat noted that short term priorities would include updating the Global Fund's technical and operational guidance, reflecting the Policy and its revisions in the design of GC8 processes, and continuing to improve co-financing monitoring, reporting and oversight.
65. Key and vulnerable populations and sustainability/transition: The Secretariat noted that protection of KVPs was both a major priority and one of the most critical challenges when it comes to sustainability and transition. The Secretariat noted that many aspects of the Policy – including more specific co-financing requirements focused on financing specific programmatic interventions, improved transparency in co-financing commitments, more predictable transition timelines, continued focus on transition planning and the provision of transition funding – were designed to support addressing this challenge. However, the Secretariat noted that this will need to remain a key priority during implementation of the revised Policy.

07. Sustainability: Allocation Methodology

Presentation

66. The Board Chair opened the session noting that the Allocation Methodology is reviewed every three years based on the latest evidence and lessons learned. For Grant Cycle 8 (GC8), the review of the Allocation Methodology also considered the findings and recommendations of the 2024 independent evaluation of the Global Fund Allocation Methodology.
67. The Board Chair highlighted the SC recommendation noting a revision to the Global Disease Split (GDS) to provide a greater share of funding for TB and malaria while protecting essential services for HIV, and as part of the SC-approved technical parameters of the allocation formula: a shift of the Country Economic Capacity (CEC) curve to drive more funding towards lower income countries, and a refinement to the malaria disease burden indicator period. The Board Chair also noted that the SC recommended setting aside funding for Catalytic Investments (CIs) at sources of funds for allocation of US\$ 12.26 billion and above.

68. The Secretariat highlighted that the changes remain true to the objectives of the Allocation Methodology² and are part of a complementary holistic set of policy changes aimed at reinforcing sustainability considerations across the portfolio, including the changes recommended across the Eligibility and Sustainability, Transition and Co-financing (STC) policies, as well as the Catalytic Investments (CI) priorities for GC8. The other aspects of the allocation formula are recommended to be maintained given their relevance in the current context.
69. When looking at the combined effect of the recommended changes to the Allocation Methodology, the Secretariat noted that the allocations for low-income countries and lower-middle-income countries increase in all presented scenarios ranging from US\$11 billion to US\$18 billion for country allocations.

Global Disease Split (GDS)

70. The Secretariat presented an overview of the challenges in HIV, TB and malaria, noting that all three diseases are off-track to meet the Sustainable Development Goals, particularly TB and malaria. The Secretariat outlined the principles that informed the GDS³ and noted that the recommended GDS most appropriately meets these principles.
71. The GDS recommended by the SC:
- i. applies a target split of 40% for HIV, 25% for TB and 35% for malaria when the available funds for country allocation are US\$17 billion and above;
 - ii. maintains the effective split from the Grant Cycle 7 (GC7) allocation period at amounts less than or equal to US\$12 billion; and
 - iii. defines the split according to a linear extrapolation between the US\$12 billion baseline share and the US\$17 billion baseline share for each disease, at amounts between US\$12 billion and US\$17 billion.

Technical parameters of the Allocation Methodology

72. Country Economic Capacity (CEC) curve: Noting the importance of the CEC curve as a sustainability lever, the Secretariat informed the Board that the shift in the CEC curve drives funds from higher income countries to lower income countries. This shift is a response to the disproportionate impact of fiscal pressures and other economic challenges on lower income countries.
73. Disease burden indicators: The Secretariat explained that for the malaria burden indicator, the historical period of 2000-2004 continues to be the most relevant period to use, as it captures the malaria transmission potential for most countries in the absence of control interventions. Based on the recommendations of technical partners, the SC approved that, for a small number of countries with significantly higher transmission intensity due to sustained epidemics, the average

² The Allocation Methodology produces country allocations to maximize the impact of available resources by focusing funds on the countries with the highest disease burden and lowest economic capacity, while accounting for key and vulnerable populations disproportionately affected by the three diseases. It also provides countries with predictable financing over three-year cycles through an approach that is transparent, rigorously driven by data and flexible to adapt to unique country contexts.

³ ² At its 25th and 26th SC Meetings, the SC broadly supported five principles to inform the GDS: a. Set the [GDS](#) in line with most critical needs and impact, based on the evidence. b. Do no harm to existing programs: protect continuity of services for all three diseases. c. As overall funding increases, funding for all three diseases must increase. d. Do not reduce overall funding for [lower income](#) countries, when considered holistically with other changes to the Allocation Methodology (e.g. the CEC Curve). e. Ensure changes support Replenishment efforts, as raising resources benefits all three diseases.

values for the last five years will be used. The Secretariat noted that while the refinement has only very minor allocation implications, it is in line with the intent to best capture each country's potential for malaria transmission.

74. Qualitative adjustments (QA): The Secretariat explained that the Allocation Methodology decision point (GF/B52/DP05) includes a request from the Board to the SC to approve the QA factors and process in 2025. The Secretariat highlighted that the QA process will be reviewed in line with sustainability considerations, and that the Secretariat will assess how RSSH needs can be best considered for Grant Cycle 8 (GC8) as part of QA and other levers.
75. Catalytic Investment (CI) scenarios: The Secretariat noted that the recommended CI scenarios have been informed by a set of principles, including the need to protect the continuity of essential services in the country allocations and avoiding reversal or significant slowdown of disease allocation increases resulting from the GDS change.

Board Discussion

76. The Board welcomed the holistic presentation of the sustainability policy decisions for GC8, including the Allocation Methodology, and acknowledged the detailed and holistic analysis provided to inform Board considerations. The Board acknowledged the challenging nature of the Allocation Methodology decision as well as the need to balance constituency interests with duty of care for the Global Fund partnership. In response to the recommended changes to the Allocation Methodology for GC8, the Board noted the following:
77. Global Disease Split: The Board recognized that the world is off-track to meeting the Sustainable Development Goals (SDGs) related to HIV, TB and malaria. Acknowledging the recommendation from the SC, the Board converged towards changing the GDS for GC8, with higher shares of funding to go to TB and malaria while protecting essential services for HIV. Some Board members noted that the epidemiology and progress towards the SDGs warrants a still greater share of funding to go to TB and malaria and asked for this to be considered for the next allocation period.
78. Board members emphasized the importance of maintaining program split flexibility to enable countries to respond to their needs.
79. Future planning: For future cycles, some Board members suggested that the decision on the Allocation Methodology be brought to the Board earlier, to allow more time between the decision and the start of the Replenishment year to support planning.
80. CEC curve: Board members broadly supported the SC's decision to change the CEC curve to drive funding to lower income countries. Some Board members raised concern that the CEC curve shift results in reduced allocations to their region, while other Board members noted their preference for a greater shift towards lower income countries.

81. The Board highlighted the need to protect key and vulnerable populations (KVPs), human rights, and community engagement, especially in upper-middle-income countries (UMICs) that see a reduction in funding resulting from the CEC curve shift. The Board noted the need to mitigate the impact of funding reductions through other available levers such as QA, flexibility in implementation mechanisms, targeted approaches to support KVPs, and transition support.
82. QA factors: Board members noted that the QA process and factors should consider the needs of KVPs, as well as the needs related to HIV prevention, the elimination of vertical transmission of HIV, and adolescent girls and young women (AGYW).
83. Cost of essential programming (CoEP): Some Board members asked to further unpack the costs included in CoEP and highlighted the importance of CoEP to include costs related to KVP programming.
84. CI scenarios: Board members highlighted the importance of preserving funding for CIs in lower Replenishment scenarios.
85. Resilient and Sustainable Systems for Health (RSSH): The Board requested a comprehensive overview of levers to support RSSH, including QA and CIs.

Secretariat Response

86. The Secretariat thanked the Board for their inputs as well as the SC for the robust deliberations and leadership in navigating complex trade-offs. The Secretariat highlighted that the holistic set of policy changes presented to the Board is aimed at protecting sustainability in all scenarios.
87. The Secretariat welcomed the comments made by Board members to collectively maximize the impact of available resources, including seeking opportunities to improve integration and efficiencies. On program split flexibility, the Secretariat emphasized that the GDS is not the sole determinant of the final distribution of Global Fund resources across the three diseases, as countries will maintain program split flexibilities to change the distribution of allocations across diseases to address country needs.
88. Building on the Secretariat's response, the SC Chair noted that the CoEP is an estimate that allows shifting funding towards TB and malaria as fast as possible without funding levels falling below the level needed to provide essential services for HIV. The SC Chair highlighted the SC's deliberations on the CoEP estimates, and the SC's overall alignment not to further unpack CoEP at this stage as it does not determine which program areas are funded and is not the sole determinant of allocation amounts.

Conclusion and Action Points

89. The Secretariat will present an update of the QA process and factors including CoEP at the 27th SC Meeting in March 2025. The SC will be requested to review and approve the QA factors and process at the 28th Meeting in July 2025.

08. Sustainability: Catalytic Investments

Presentation

90. The Secretariat presented the proposed Catalytic Investments for the 2026-2028 allocation period (Grant Cycle 8), outlining the cross-cutting priorities identified based on the SC approved methodology, following the integration of Strategy Committee feedback. Also outlined were the approach to additive private sector investments, and planning toward discussion of Catalytic Investments (CIs) in scenarios for sources of funds for allocation below US\$ 12.26 billion. It was highlighted that this proposal was part of a complementary holistic set of policy changes aimed at reinforcing sustainability considerations across the portfolio, including the changes recommended across the Eligibility Policy, STC Policy, and Allocation Methodology.

Board Discussion

91. CI funding scenarios: The Board reflected on the importance of CIs, even in low potential funding scenarios, highlighting CIs as critical to introducing efficiencies and innovation, safeguarding services for key populations and communities, and helping to mitigate the impact of potential decreases to country allocations. There was broad support for engaging in further discussion of CI priorities and amounts in scenarios below US\$ 12.26 billion as part of the July 2025 Strategy Committee. Board members highlighted that early, proactive planning with stakeholders would provide the best opportunity to maximize impact in GC8.
92. Stakeholder engagement and CI modalities: Board members further reiterated the importance of integrating feedback from technical partners, communities and donors in CI design, geographic prioritization and modality determination. Recognizing the important support that CIs can offer to key populations and communities, Board members urged use of CI modalities tailored to communities' diverse needs; and those that leverage existing community structures and organizations.
93. Private sector contributions: The Board recognized the important role of private sector contributions, alongside domestic and public resources; and reiterated the importance of integrating these contributions transparently and in alignment with partnership priorities.

94. Priority areas: Board members were supportive of proposed priorities, highlighting the necessity of ensuring priorities are funded at levels sufficient to have impact. Comments focused particularly on Next Generation Market Shaping; the Emergency Fund; Human Rights and Gender; RSSH; and Community Networks and Engagement. Board members also highlighted the potential for Blended Finance and urged continued collaboration to gain additional insight into potential future opportunities.

Secretariat Response

95. CI funding scenarios: The Secretariat affirmed the Board's framing of CIs as reinforcing and catalytic to broader grant investments. Given this interdependence, understanding the totality of available funding will be critical in determining CI modalities, geographic prioritization and overall design. The Secretariat highlighted that early planning as part of the July Strategy Committee is critical, but many key decisions will only be possible following the 8th Replenishment.
96. Stakeholder engagement: The Secretariat noted that engagement with partners and stakeholders is a key part of the methodology that underlies the overall GC8 CI proposal, and reaffirmed that partner engagement will remain critical to the process. The Secretariat noted existing structures in place to support both GC8 CI development and GC7 CI implementation, including through disease situation rooms, community working groups and formal reporting to Strategy Committee twice a year.
97. Private sector contributions: The Secretariat reiterated the commitment to maximizing available funding, including through private sector contributions. The Secretariat also highlighted certain flexibilities included in the Decision Point and continued coordination with partners around emergent opportunities such as blended finance.

Conclusion and Action Points

98. The Board agreed that additional discussions with Strategy Committee in July 2025, will inform CI scenarios below US\$ 12.26 billion.

Sustainability Decisions

99. Given the interconnected nature of the four sustainability proposals and the holistic discussion by the Board, all four decisions were considered after all proposals were presented and discussed, rather than in their respective sessions.

Decisions

100. The Board unanimously approved the following Decisions:

- i. Decision point GF/B52/DP03: Approval of the Revised Eligibility Policy
- ii. Decision point GF/B52/DP04: Approval of the Revised Sustainability, Transition, and Co-Financing Policy.
- iii. Decision point GF/B52/DP05: Allocation Methodology for the 2026-2028 allocation period (Grant Cycle 8)
- iv. Decision point GF/ B52/DP06: Catalytic Investments for the 2026-2028 allocation period (Grant Cycle 8)

09. **OIG Progress Report**

Presentation

101. The Board Vice Chair opened the session noting that it will be a high-level strategic update of the work of the Office of the Inspector General (OIG) till August 2024 including progress of the 2024 OIG workplan. The report summarizes key messages from the OIG’s work through its audits and investigations of Global Fund grants in countries as well as Secretariat audits.
102. The Inspector General provided a synopsis of the OIG progress report and the key messages noting the Global Fund's collaborative model has achieved remarkable results, with many countries surpassing the 95-95-95 targets, and has shown adaptability in responding to crises like C19RM. Moving forward, the focus will be on optimizing resources, enhancing collaboration with global health partners, and maintaining adaptability to navigate future challenges. It was also noted that the OIG plan for 2025 has been crafted with all of this in mind. We are aiming to deploy OIG resources to areas of greatest value, based on quantitative data analysis and qualitative inputs from constituencies and management.
103. The OIG reported strong execution of the OIG 2024 workplan, highlighting progress in data analytics and fraud prevention. The 2025 workplan will adopt a risk-based approach, ensuring comprehensive coverage while reducing the budget. Despite efforts to manage AMAs, there is an increase in overdue AMAs, however no AMAs were specifically highlighted for the Board’s attention. During the period, 43 new audit findings were issued; for three of these findings, management accepted the risks. The OIG addressed concerns about the rise in allegations, attributing it to increased trust in their reporting mechanism. The OIG workplan also considers the work of other assurance providers, ensuring comprehensive oversight.
104. The AFC Chair provided a readout of the discussions at the 26th AFC Meeting (October 2024), where the AFC unanimously approved the 2025 OIG Workplan and KPIs, and recommended the OIG budget for the Board’s approval.

Board Discussion

105. The Board welcomed the OIG report, the presentation and the responses to the questions raised by constituencies. The Board also expressed appreciation for the OIG's work which is critical to the mission of the Global Fund and ensures transparency and accountability.

The Board raised the following points:

106. Additional Safeguards Policy: One Board member noted that the Additional Safeguards Policy should be used to mitigate structural barriers and ensure quick, accountable fund allocation to affected communities. Another Board member noted about the challenges associated with the Additional Safeguard Policy and the need for a clear roadmap and exit strategy, involving all stakeholders, including principal recipients, CCM, government and civil society.
107. Audits in fragile countries: Asked about the status of collaborations with CSO's and INGO's for audits of grants in fragile countries.
108. Value for Money (VfM) audit: Some Board members noted that outcomes for the VfM audit in human resources for health which is eagerly anticipated and emphasized that this is a key investment area and important for consideration of tough tradeoffs in the upcoming GC8.
109. STC Policy Implementation: Some Board members also asked the OIG about its opinion on STC Policy implementation. Understanding from Global Fund perspective on what are plans to ensure countries meet commitments or reduce exceptions for co-financing, given the OIG report on co-financing commitments ranging only between 46% to 59%.
110. AMAs: Several Board members noted the approach to addressing long overdue AMAs, especially moving into a replenishment year. There was appreciation for the transparency regarding delays and the acknowledgment of competing priorities and Board members agreed that this a key differentiator.
111. Assurance model: The OIG had opined that there is a need to review the assurance model. As a follow up, some Board members requested more details regarding this proposal.
112. Procurement and Quality Assurance audits: Some Board members mentioned they look forward to the outcomes of the procurement and quality assurance reviews, highlighting their significance as key areas where most Global Fund investments are concentrated.
113. Global Fund Model Audit: Clarity was sought around the Global Fund model audit and whether the recommendation was to differentiate Global Fund operations or differentiate when compared with peers.

114. PSEAH: Some Board members requested additional clarity on PSEAH activities and the subsequent follow-up work. Additionally, they sought an explanation for the reduction in the SEAH budget._
115. RSSH Investments: The Board emphasized the criticality of RSSH investments and appreciated the Secretariat's efforts to improve RSSH effectiveness. The need for transparency and multi-stakeholder engagement in RSSH investments, while also highlighting the importance of strengthening RSSH and institutionalizing program optimization. The Board also inquired about the OIG's plans to evaluate RSSH and C19RM investments, especially considering decreasing financial resources._

OIG Response

116. The OIG leadership team addressed the Board's points and also deferred to the Secretariat for answers directed to them.
117. Additional Safeguards Policy: For the ASP review, the OIG travelled to many countries of the West and Central Africa (WCA) region to get direct feedback from implementers on the challenges. Similarly, many WCA countries that are also in fragile states are still visited by the OIG for its routine country audits and wherever possible the teams even travel outside the main city. However, security concerns and related risk management measures applicable to all Global Fund employees need to be taken into account._
118. Fragile states: The OIG confirmed that there is good collaboration with CSO's and INGO's in fragile environments. For example, despite planned collaborations for audits in MER, some had to be cancelled as those involved in the audits had to reprioritize and focus on emergency relief rather than audits.
119. Procurement and VfM audits: Both the procurement and VFM audits are expected to be concluded by the end of the first quarter of 2025 and will be shared with the Board.
120. SEAH: SEAH is still very much a priority for the OIG and there are currently two active investigations underway. However as with any new risk, once the organization starts maturing its frameworks and processes then there is also a shift in how the risk materializes. Currently the biggest challenge with SEAH is late reporting to the OIG which constrains and limits what can be investigated. The OIG remains actively engaged in this area and continues to conduct multiple prevention and awareness activities on this topic._
121. RSSH and C19RM: The OIG will consider the comments for the RSSH and C19RM reviews and work with the ELO to continuously assess the risk and the need for an audit.

Secretariat Response

122. SEAH: Assurance to the Board was made that whilst there was a small reduction in the SEAH line item budget, this was not an indication of a diminished commitment to protecting individuals from this risk and, the secretariat is confident that the SEAH workplan for 2025 can be executed in full with the resources available.
123. AMAs: Much of long overdue AMA's are dependent on actions at the country level on which the Secretariat has limited influence. One such example cited was the completion of an Integrated Biological and Behavioural Surveillance Survey but where a Minister had yet to sign off on survey results. In addition, reporting on the AMAs is often influenced by June and December deadlines and the picture is significantly different when comparing year on year rather than one governance cycle to another.

10. 2025 OPEX Budget and Corporate Workplan

Presentation

124. The Secretariat presented the 2025 Work Plan, Budget Narrative and the 2025 Operating Expenses Budget (OPEX) and explained the prioritization approach taken to build up this transition budget to the next cycle, while remaining within the approved OPEX forecast for the 2023-2025 period⁴. The Secretariat highlighted some tactical trade-off decisions made and acknowledged some gaps, notably in digitization.
125. The AFC Vice Chair provided details regarding AFC discussions and review of the OPEX Budget and the details of the committee's recommendation to the Board. The AFC Vice Chair explained some key areas noted by the AFC, including drivers behind increased health and life insurance costs, contingent liabilities, tradeoffs and prioritization decisions reflected in the 2025 budget, future scenario planning, and other areas.

Board Discussion

126. The Board commended the Secretariat for the presentation and the efforts made to remain within the approved forecasted OPEX amount for the 2023-2025 cycle and discussed the following points:
127. Priorities: The Board appreciated the prioritization exercise that went into presenting the 2025 OPEX Budget proposal and the continuous effort to identify efficiencies. One Board member

⁴ [GF/B48/DP04 – Sources and Uses of Funds for the 2023-2025 Allocation Period](#)

appreciated the increase in the Community Rights and Gender budget overtime, while another commended the efforts to optimize travel expenses.

128. OPEX working group and scenario planning: Multiple Board members expressed appreciation for the Secretariat and AFC's collaborative efforts and noted the criticality of the Informal OPEX Working Group that will be set up in mid-2025 to prepare and plan for the next cycle.
129. Staff Well-being: The Board expressed concerns regarding staff well-being and the potential risk of burnout, also noting that there could be potential impacts as C19RM implementation ends. The importance of addressing these issues in future discussions was emphasized. Additionally, the Board extended their heartfelt gratitude to the Global Fund staff for their unwavering dedication.

Secretariat Response

130. Priorities: The Secretariat affirmed that trade-off decisions and prioritized areas of investments are aligned with the Strategy 2023-2028 and take into consideration where 2025 is the third year in GC7: (i) priority to resource mobilization and the preparation for the 8th Replenishment; (ii) priority to core activities with the focus on GC7 HTM grants and implementation of RSSH activities; and (iii) priority to emerging needs such as climate and cybersecurity. Building on system maturity, the Secretariat will continue to invest in enhancements of core processes but at a slower pace. Therefore, investments in digitization are comparatively modest.
131. Informal OPEX Working Group and scenario planning: The Informal OPEX Working Group will be reactivated between March and July 2025 with members from the new committees. The Secretariat will take inputs and guidance from the OPEX working group to prepare for different funding results from the 8th Replenishment.
132. Staff Well-being: The Secretariat expressed gratitude to the Board for their input and noted that these issues are being seriously considered within the organization, and assured that these matters would be brought up for future discussions.

Decision

133. The Board unanimously approved the Decision Point: GF/B52/DP07: 2025 Work Plan and Budget Narrative and the 2025 Operating Expenses Budget.

11. Risk Management

Presentation

134. The Secretariat presented a summary of the Risk Management Report, highlighting the volatility of the external environment and the impact this is having on the organizational risk profile and the direction of travel of many non-grant facing risks. Risk appetite adjustments for two risks – In-Country Supply Chain (ICSC) Risk and Grant Related Fraud & Fiduciary Risk – were put forward to the Board for decision.
135. The AFC Chair provided an overview of the AFC review of the proposed risk appetite adjustments as well as the input from the SC:

Grant-Related Fraud & Fiduciary risk: The AFC sought to understand why the risk failed to meet the target level of Moderate by June 2024 and to assess whether the recommended timeframe of December 2024 for achieving a Moderate risk level was feasible. The AFC noted guidance provided by the Secretariat that more time was needed to assess whether controls in place were effective in bringing risk levels down, particularly in high-risk portfolios.

ICSC risk: The AFC thanked the SC for their input on ICSC risk and noted that supply chains have taken more time than anticipated to bounce back following COVID-19 disruptions, notable improvements in some portfolios notwithstanding.

136. Risk appetite: The AFC unanimously recommended the risk appetite adjustments for ICSC Risk and Grant Related Fraud & Fiduciary Risk to the Board.

Board Discussion

137. Risk Appetite: The Board discussed Grant-Related Fraud & Fiduciary risk and reiterated the importance of continuing to address this risk within Global Fund supported programs. It was acknowledged that for ICSC risk, challenging operating environments are a key contributor to risk levels remaining High. The Board also requested further clarity from the Secretariat on how Risk Appetite decisions at the Board level translate into decision-making at the HTM program level.
138. Malaria: The Board raised concerns about malaria and the worrying signs of increasing cases in high burden countries. The Board asked the Secretariat for further clarity on how the Malaria risk levels can be driven down in the face of mounting challenges encompassing gaps in coverage, climate change, insecticide resistance and malaria drug resistance.

139. TB: The Board found it challenging to reconcile the reported risk level and the target risk of Moderate by June 2025 given the worrying gaps in TB funding in high burden countries in Asia and Africa. The Board encouraged dialogue with the countries to determine how current and projected program gaps could be addressed and gains sustained.
140. HIV: The Board were encouraged by the Moderate risk rating for HIV Program Quality risk, however called for the Global Fund partnership to not be complacent. Rising fiscal pressures, lack of prioritization, and growing human rights crisis were all raised as threats to HIV program progress and sustainability.
141. Operational prioritization: One Board member highlighted the necessity of prioritizing and streamlining Secretariat operations given limited financial and human resources and recognized the importance of proactive planning for different funding scenarios. One Board member raised the need for continued emphasis on integrated, community-centered approaches in risk management.

Secretariat Response:

142. Risk Appetite: The Secretariat reiterated that Risk Appetite is a useful tool to help the Board and the Secretariat make risk trade-off decisions. The Secretariat provided clarity on the approach to assessing residual risks in its grants. In the context of Grant-Related Fraud & Fiduciary, imposing heightened fiduciary controls under the Additional Safeguard Policy across more implementing countries could achieve an earlier timeframe for bringing the risk level down to Moderate, however it would have an adverse effect on disbursements, for example. In the ICSC context, the introduction of parallel supply chains could similarly achieve an earlier timeframe reducing the risk level, however it would have an adverse effect on in-country capacity building, for example.
143. The Secretariat committed to provide an update on progress against target risk levels [and recommendations for their amendment [where appropriate] at the 54th Board meeting in November 2025.
144. Malaria: The Secretariat highlighted positive developments to address the worrying trend in malaria, namely the 'big push' discussions, dual AI nets, and sub-national tailoring. None of these developments, however, represent a silver bullet, and much additional work and resources will be required to adequately address programmatic gaps now and into the future.
145. ICSC: The Secretariat highlighted the progress that has been made in global supply chains since COVID-19 disruptions and reiterated the importance of maximizing outcome and impact across the three diseases. The Secretariat informed the Board that the focus will be on quality implementation of ICSC investments under GC7 and C19RM, and supporting countries in driving ownership of supply chains (with the help of partners) to sustain positive ICSC progress.

Board Decision

146. The Board anonymously approved the Decision Point: GF/B52/DP08 - Amended Risk Appetite Statements.

12. Update on Resource Mobilization

Presentation

147. The Secretariat provided an update on pledge conversion, which is on track, and ongoing resource mobilization efforts, which have resulted in US\$109.4 million in additional pledges for the current 7th replenishment period. These results highlight the importance of strong donor relationships and maintaining donor confidence that are also crucial for the 8th Replenishment.
148. The Secretariat reported that preparations for the 8th Replenishment campaign are ahead of schedule and the work on the Investment Case is on track. The Secretariat is actively engaging with global health and civil society partners at key platforms such as G7, G20, and other major international and regional conferences and events, to maintain visibility and support. The Secretariat also emphasized the risks in the current volatile landscape and solicited the Board's continued guidance, support and advocacy to help mitigate risks.
149. The AFC Chair provided a summary of its discussion on resource mobilization at the 26th AFC Meeting in October 2024 AFC. The AFC Chair emphasized the effectiveness of the 2024 Results Report as an advocacy tool for the 8th Replenishment campaign, recommended broadening donor engagement and stressed the importance of refined communication.
150. Board Support: The Chair of the Board expressed the Board's support to the 8th Replenishment action plan and acknowledged the progress achieved so far. Several key themes emerged from the diverse contributions of stakeholders, reflecting the shared commitment to achieving the best possible replenishment outcome against an ambitious yet realistic replenishment target for the upcoming funding cycle.
151. Ongoing resource mobilization: The Board commended the progress on pledge conversion and the results of ongoing resource mobilization efforts, which emphasize the need for ongoing advocacy, donor engagement and cultivation.
152. Campaign Strategy: The Board welcomed the Secretariat's multi-moment approach to the 8th Replenishment campaign and noted that this is a necessary shift in the current context. It was also noted that the campaign narrative must focus not only on funding needs but also on the comparative advantage of the Global Fund's model and its broader impact.

153. Engagement: The Board emphasized the importance of multilateralism and partnership, with calls for ensuring complementarity among global health initiatives and continued engagement in the Lusaka Agenda.
154. Domestic Resource Mobilization: The Board highlighted the need for strengthened Domestic Resource Mobilization (DRM), especially for supporting resilient health systems, and noted that efforts to increase and optimize domestic resources are crucial for long-term sustainability.
155. Earmarking: The Board emphasized the importance of aligning with the broader Sustainable Development Goals Agenda and of treating health as a strategic investment. It inquired about donor conditionalities and earmarking and how the Global Fund aims to maintain flexibility and country ownership in resource allocation.
156. Private Sector Engagement: Progress in engaging and mobilizing the private sector was also highlighted. The Board highlighted the opportunity for the Global Fund to showcase its role in innovation, bringing new tools to bear upon long-standing challenges. Clear vetting processes for private sector contributions were also deemed essential to ensure alignment with the Global Fund's priorities and ethical framework. The advocacy and outreach of private sector champions was also noted as being crucial to a successful replenishment.
157. Other Priorities: The Board reaffirmed its commitment to the Global Fund's core mission and goals, including its relevance to addressing challenges like climate change and poly-crises. Calls were made to tailor donor pitches and expand outreach beyond traditional avenues and approaches.
158. Investment Case: The Board expressed broad support for a coherent and compelling Investment Case (IC) that balances ambition with realism. Emphasis was placed on demonstrating economic impact, efficiency, and sustainability to enhance the appeal to donors in the current resource constrained environment. The significance of engaging with civil society and communities into the Investment Case was emphasized.

Secretariat Response

159. Board Support: The Secretariat expressed its gratitude to the Board for all the support offered. The Secretariat also welcomed the Board's feedback and confirmed that strategies are in place to address challenges, such as expanding donor engagement, tailoring donor messaging and refining communication to emphasize the Global Fund's impact across multiple fronts, as well as HIV, TB, and malaria (HTM). The Secretariat reiterated the importance of being agile and preparing for different funding scenarios, while working towards the best replenishment outcome possible.
160. Earmarking: In response to questions about increasing conditionalities to donor contributions, the Secretariat assured the Board that it is guided by the Global Fund's key founding documents,

including the Framework Document⁵, the Bylaws⁶, the Comprehensive Funding Policy (CFP)⁷ and the Amended and Restated Policy on Restricted Financial Contributions (PRFC)⁸, which set out the mandate, principles, duty of care and ethical approach for GF funding. The Secretariat has flagged to the AFC the risks that some conditionalities could pose to country ownership and to access for key and vulnerable populations.

161. Private Sector: In response to the question on the vetting process for private sector donors, the Secretariat referred to the established process under the oversight of the Secretariat Private Sector Engagement (PSE) Committee to ensure that such contributions match agreed priorities in the Global Fund Strategy, Catalytic Investments (CIs) and other critical programmatic gaps. The PSE Committee also oversees the Global Fund's private sector due diligence and conflict of interest management processes.

Conclusion

162. The Board's discussions reflected a unified commitment to mobilizing resources through innovative, collaborative, and strategic efforts. Despite the challenging context, the Board across stakeholders expressed determination and pledged support for the upcoming replenishment. Some Board members reiterated the need to balance ambition with realism. The emphasis on leveraging multilateralism, ensuring impactful fund utilization, and expanding donor engagement will be central to the success of the Global Fund's 8th Replenishment.

13. Board Meeting Closing

163. The Board Chair thanked Board Members for their contributions throughout the meeting and emphasized the importance of collective action, and the commitment of donors in achieving a successful 8th Replenishment. The Chair acknowledged the Executive Director, commending his leadership in helping the organisation secure \$US 35 billion during his tenure, after three replenishments. This represents 45% of all funds raised by the Global Fund to date. She highlighted the historical achievements of The Global Fund since its establishment in 2002, noting that \$78 billion raised and 65 million lives saved in the fight against AIDS, tuberculosis, and malaria, she also recognized significant contributions from the private sector, domestic resources and newer public partnerships.
164. The Executive Director thanked the Board and reflected on the challenges and successes of previous replenishments, emphasizing the importance of making every dollar count and securing the best replenishment possible. He highlighted the need for prioritization, trust in the decision-making process, and the importance of tailoring messages to different donors in the

⁵ https://www.theglobalfund.org/media/6019/core_globalfund_framework_en.pdf

⁶ https://www.theglobalfund.org/media/6007/core_globalfund_bylaws_en.pdf

⁷ https://www.theglobalfund.org/media/6021/core_comprehensivefunding_policy_en.pdf

⁸ https://www.theglobalfund.org/media/7119/core_restrictedfinancialcontributions_policy_en.pdf

upcoming Replenishment. He outlined the key priorities for the coming year, including maximizing the impact of current investments and preparing for a successful and robust eighth replenishment, while implementing necessary changes, and planning for various scenarios. Furthermore, regarding HTM, the ED emphasized the need to maximize opportunities, through innovations like lenacapavir that could potentially revolutionize HIV prevention. The need to optimize funding from different sources, strengthening collaboration within the partnership and ensuring optimal mix in terms of tools and subnational stratification was noted as paramount to the fight against malaria. He also stressed the importance of raising the game on finding money for TB - to maintain the momentum and prevent setbacks, through collaboration with new partners.

165. The Vice-Chair thanked the ED and acknowledged the significant decisions taken by the Board. Paul Schaper, the EGC Chair, thanked the Board for modelling excellent governance principles and commended the Board for mitigating governance risk and fostering a culture of trust.
166. In her closing remarks, the Board Vice-Chair expressed appreciation for the quality of the presentations and discussions, thanked the Government and people of Malawi for their hospitality, the Secretariat, the Office of the Inspector General and acknowledged the contributions of the Committees, constituency delegations, Governance, Events, IT, and Security teams. She emphasized the Board's collective action in making a difference together, and thanked all participants for their unity and commitment to the Global Fund partnership.

Annex 1: Decisions taken at the 52nd Board Meeting

Decision Point	Decision Point Text	Voting Summary		
		For	Against	Abstain
GF/B52/DP01	52nd Board Meeting Approval of the Agenda The Agenda for the 52 nd Board Meeting (GF/B52/01) is approved.	Unanimous		
GF/B52/DP02	52nd Board Meeting Approval of the Rapporteur Kieran Daly from the Private Foundations constituency is designated as Rapporteur for the 52nd Board Meeting.	Unanimous		
GF/B52/DP03	Approval of the Revised Eligibility Policy 1. Based on the recommendation of the Strategy Committee, the Board approves the revised Eligibility Policy, as set forth in Annex 1 to GF/B52/08D (the “Revised Eligibility Policy”). 2. Accordingly, the Board: <ul style="list-style-type: none"> i. Acknowledges that this decision point and the Revised Eligibility Policy supersede the decision point GF/B47/DP03 and the previous Eligibility Policy as set forth in Annex 1 to GF/B47/02 (the “Previous Eligibility Policy”); and ii. Notes that, notwithstanding paragraph 2.i of this decision point, the Previous Eligibility Policy remains applicable to grant programs originating from the 2023-2025 allocation period (Grant Cycle 7). <u>Budgetary implications: None</u>	Unanimous		
GF/B52/DP04	Approval of the Revised Sustainability, Transition and Co-financing Policy 1. Based on the recommendation of the Strategy Committee, the Board approves the revised Sustainability, Transition and Co-financing Policy, as set forth in Annex 1 to GF/B52/08E (the “Revised Sustainability, Transition and Co-financing Policy”).	Unanimous		

	<p>2. Accordingly, the Board:</p> <ul style="list-style-type: none"> i. Acknowledges that this decision point and the Revised Sustainability, Transition and Co-financing Policy supersede the decision point GF/B35/DP08 and the previous Sustainability, Transition and Co-financing Policy as set forth in Annex 1 to GF/B35/04 – Revision 1 (the “Previous Sustainability, Transition and Co-financing Policy”); and ii. Notes that, notwithstanding paragraph 2.i of this decision point, the Previous Sustainability, Transition and Co-financing Policy remains applicable to 2023-2025 allocation period (Grant Cycle 7) grants and the Secretariat shall take account of compliance considerations in the Revised Sustainability, Transition and Co-financing Policy when determining compliance with such requirements. <p>Budgetary implications: <i>None</i></p>			
GF/B52/DP05	<p>GF/B52/DP05: Allocation Methodology for the 2026-2028 allocation period (Grant Cycle 8)</p> <p>Based on the recommendation of the Strategy Committee (the “SC”) as presented in GF/B52/08B, the Board:</p> <ul style="list-style-type: none"> a. Acknowledges the decision by the SC in October 2024 GF/SC26/DP05, under authority delegated by the Board, to establish technical parameters for Grant Cycle 8 (the “Technical Parameters”); and b. Acknowledges that the total amount of funds available for country allocation (including approved sources of funds for country allocation and any additional funds approved as available for country allocation) will be decided by the Board in November 2025, based on the recommendation of the Audit and Finance Committee following announced replenishment results from the 8th Replenishment. <p>Accordingly, the Board:</p> <ul style="list-style-type: none"> 1. Approves the allocation methodology, including its global disease split, presented in Annex 1 to GF/B52/08B (the “Allocation Methodology”); 2. Requests the SC to review and approve, in 2025, the method by which the Secretariat will apply and report on the qualitative adjustment process; and 	Unanimous		

	<p>3. Acknowledges that the Allocation Methodology and Technical Parameters shall apply for Grant Cycle 8 and supersede the 2023 – 2025 allocation methodology and technical parameters presented in GF/B47/03.</p>			
GF/B52/DP06	<p>Catalytic Investments for the 2026-2028 allocation period (Grant Cycle 8)</p> <p>Based on the recommendation of the Strategy Committee (the “SC”) as presented in GF/B52/08C Revision 1, the Board:</p> <ol style="list-style-type: none"> 1. Acknowledges that the total amount of sources of funds for allocation for GC8 will be decided by the Board in November 2025, based on the recommendation of the Audit and Finance Committee following announced replenishment results from the 8th Replenishment; 2. Approves that the total amount of funding for catalytic investments in GC8 will be determined by the total amount of sources of funds for allocation for GC8; 3. Approves catalytic priorities for GC8, based on the total amount of sources of funds for allocation, as set forth in Table 1 of GF/B52/08C Revision 1, including catalytic priorities that remain unfunded by the Global Fund based on the total amount of funding available for catalytic investments for GC8; 4. Agrees that in the event that sources of funds for allocation for GC8 are above the midpoint of the funding range specified for any scenario in Table 1 of GF/B52/08C Revision 1, the Secretariat may recommend to the Board to approve additional amounts for catalytic investments (up to 50% of the difference in total catalytic funding for the applicable scenario and the next higher funding scenario) to be invested in the priority areas for the next higher funding scenario in Table 1 of GF/B52/08C Revision 1; 5. Agrees that in the event that private sector contribution to any of the priorities in Table 1 of GF/B52/08C Revision 1 is contingent upon a co-investment from allocation funding in the specified priority, the 	Unanimous		

	<p>Secretariat may recommend to the Board to approve additional amounts for such priority for this co-investment purpose;</p> <p>6. Agrees that catalytic investments will still be necessary should sources of funds for allocation for GC8 be less than US\$ 12.26 billion, but that amounts for specific priorities will need to be determined at a later date considering the latest data and considerations on leveraging private sector funding, based on recommendation by the Secretariat, in coordination with SC leadership, to the Board;</p> <p>7. Approves that the Secretariat will:</p> <ul style="list-style-type: none"> i. have flexibility to operationalize catalytic investments; ii. report to the SC and Board on such operationalization; iii. have flexibility, within the total amount of funding for catalytic investments, to increase or decrease the amount for any approved priority by up to 15%, with the exception of reallocation to Board-approved, but unfunded, priorities which requires prior SC approval in all cases; and report to the SC on any such changes; and iv. present any increase or decrease of an amount for any approved priority above 15% to the SC for approval; and <p>8. Agrees that the Secretariat will have delegated authority to increase the amount of funding available for the Emergency Fund and Blended Finance priorities using funding approved as available by the Audit and Finance Committee for portfolio optimization, and that paragraph 7 (iii) and (iv) above will not apply to increases to the Emergency Fund and Blended Finance priorities.</p> <p><u>Budgetary Implications:</u> Associated management costs for catalytic investments will be covered by catalytic investments and/or operating expenses as applicable.</p>			
GF/B52/DP07	<p>GF/B52/DP07: 2025 Work Plan and Budget Narrative and the 2025 Operating Expenses Budget</p> <p>Based on the recommendation of the Audit and Finance Committee (AFC), the Board approves the following:</p>	Unanimous		

	<p>a. the 2025 Work Plan and Budget Narrative, as set forth in GF/B52/06A; and</p> <p>b. the 2025 Operating Expenses Budget in the amount of US\$ 346.0 million, which includes US\$ 15,769,831 for the Office of the Inspector General's 2025 Operating Expenses, US\$ 5,037,310 for the Ethics Office's 2025 Operating Expenses, US\$ 3,561,763 for the Evaluation Function's 2025 Operating Expenses, and US\$ 1,452,664 for the Technical Review Panel's Operating Expenses, as set forth in GF/B52/06A.</p> <p><i>Note: Some totals may not add up due to rounding.</i></p>			
GF/B52/DP08	<p>Amended Risk Appetite Statements</p> <p>1. The Board:</p> <ul style="list-style-type: none"> i. recalls its ultimate responsibility to the Global Fund's stakeholders for overseeing the implementation of effective risk management; ii. affirms the Strategy Committee's concurrence with the amended Risk Appetite Statement under such committee's oversight, as reported to the Audit and Finance Committee; and iii. further affirms the Audit and Finance Committee's integration of the Strategy Committee's concurrence into the Audit and Finance Committee's overall recommendations on the Risk Appetite Statements, as set forth in Annex 1 to GF/AFC26/04A and pursuant to decision point GF/AFC26/DP02. <p>2. Based upon the recommendation of the Audit and Finance Committee, the Board approves the amended Risk Appetite Statements, including the timeframes to achieve target risk levels, as set forth in the table in Annex 1 to GF/B52/03A, acknowledging that the target risk level for each risk shall become the revised risk appetite at the target due date, or when earlier achieved.</p> <p>3. This decision point and the amended Risk Appetite Statements approved by it shall supplement decision points GF/B49/DP04 and GF/B50/DP03.</p>	Unanimous		

Annex 2: Board Meeting Document List

Reference	Document Title
For Information	
GF/B52/02	2023-2028 Strategic Performance Report Summary
GF/B52/03A	Recommendation on Amended Risk Appetite Statements
GF/B52/03B	Risk Management Report
GF/B52/04	Report of the Executive Director
GF/B52/05	Update on Resource Mobilization
GF/B52/10	Report of the Coordinating Group
GF/B52/11	Annual Report on the Status of Board Decisions
GF/B52/12	Financial Performance as at 30 June 2024
GF/B52/13	Recoveries Report as at 30 June 2024
For Input	
GF/B52/07A	OIG Operational Progress Report
GF/B2/07B	Agreed Management Actions Progress Report
GF/B52/08A	Introduction to Sustainability Policy Decisions
GF/B52/08B	Allocation Methodology GC8
GF/B52/08C	Catalytic Investments for Grant Cycle 8
GF/B52/08C rev1	Catalytic Investment for 2026-2028 Allocation Period (Grant Cycle 8) _ tracked
GF/B52/08C rev1	Catalytic Investment for 2026-2028 Allocation Period (Grant Cycle 8) _ clean
GF/B52/08D	Revised Eligibility Policy
GF/B52/08E	STC Policy Revisions
GF/B52/09	Climate & Health Thematic Update
For Decision	
GF/B52/08D	Revised Eligibility Policy
GF/B52/08B	Allocation Methodology 2026-2028
GF/B52/08C rev1	Catalytic Investments 2026-2028
GF/B52/08E	STC Policy Revisions
GF/B52/06B	2025 OPEX Budget and Work Plan
GF/B52/06A	2025 OPEX Budget and Work Plan
GF/B52/03A	Recommendation on Amended Risk Appetite Statements
Supporting Documents	
<ul style="list-style-type: none"> GF/B52/08C Annex 5: Catalytic Investment Proposals GF/B52/ 2023-2028 Strategic Performance Detailed Report Cost of Essential Programming Frequently Asked Questions Sustainability Decisions Cheat Sheet Technical Partners' Recommendation on Disease Burden Indicator for Eligibility and Allocation Methodology 	

Annex 3: Glossary of acronyms

AFC = Audit and Finance Committee

AGYW – adolescent girls and young women

AI= artificial intelligence

AMA = agreed management action

ASP = Additional Safeguards Policy

C19-RM = COVID-19 Response Mechanism

CCM = Country Coordinating Mechanism

CEC = Country economic capacity

CoEP = Cost of essential programming

CI = Catalytic Investments

CLM = community-led monitoring

CSO = civil society organizations

CxH = Climate and Health

ED= Executive Director

EGC = Ethics and Governance Committee

GC = Grant cycle (e.g. GC8)

GDS= Global Disease Split

GNI = gross national income

IEP = Independent Evaluation Panel

KPI = key performance indicator

KVP = key and vulnerable populations

LGBTQI+ = lesbian, gay, bisexual, transgender, queer and intersex plus community

OIG = Office of the Inspector General

OECD DAC = organisation for economic cooperation and development – development assistance committee

OPEX = operating expenses

PPR = pandemic preparedness and response

PreP = pre-exposure prophylaxis for HIV

RSSH = resilient and sustainable systems for health

QA= qualitative adjustment

SC = Strategy Committee

SCL= Strategy Committee Leadership

SDG = UN Sustainable Development Goal

STC = sustainability, transition and co-financing

TA = technical assistance

TERG = Thematic Evaluation Reference Group

TB = tuberculosis

TRP = Technical Review Panel

UMIC= upper middle-income country

UHC = universal health coverage

UQD = Unfunded Quality Demand

VfM = Value for Money