

Key Outcomes from the 52nd Global Fund Board Meeting

This document (developed by the Developing Country NGO Delegation (DCNGO)) is for civil society and community groups from developing countries who did not attend the 52nd Global Fund Board meeting Lilongwe (19 - 22 November 2024) and expands understanding of key items discussed.

This document does not reflect the opinions of the Global Fund Secretariat or the Global Fund Board.

1. Introduction

This was an intense Board Meeting that resulted in significant policy changes to drive sustainable impact and direct the future of the Global Fund. All board constituencies acknowledged the significant challenges confronting the Global Fund's mission, including the severe fiscal constraints, global conflicts, and climate change. Four years after a global pandemic that shook the world, health is no longer regarded as a top priority by many global leaders.¹ The global health landscape is in a state of flux, marked by numerous challenges and uncertainties. Despite substantial progress in HIV, TB, and malaria responses - the rise of authoritarianism, as well as a hostile legal environment towards human rights and gender equality - pose significant threats to the gains made in public health. The continued shrinking space for civil society exacerbates vulnerabilities and impedes access to essential healthcare services. To safeguard progress in the fight against HIV, TB, and malaria and to advance sustainable efforts to end these diseases, the Board approved a transformative and comprehensive set of policy changes. Board documents will be uploaded in the coming weeks on <u>this</u> page.

2. Key discussions

Key agenda items (see more from <u>Aidspan</u>) resulted in <u>decision points</u>. The decisions taken are part of a holistic set of sustainability-related policy decisions (Eligibility, Allocation Methodology, Sustainability Transition and Co-financing, and Catalytic Investments) that were recommended by the Strategy Committee (SC) to the Board for decision ahead of Grant Cycle 8 (GC8), to increase the sustainability of progress towards the Global Fund's mission and Strategy. See more in the Global Fund <u>press release</u>. The revisions were approved unanimously by the Board. In addition, the Board approved the Global Fund Secretariat operating expenses (OPEX) budget for 2025, set at US\$346 million, and approved adjustments to the risk appetite statements, addressing in-country supply chain risks and grant-related fraud and fiduciary risks.

Other important items on the agenda included: 1) Progress updates on HIV, TB, malaria, Resilient and Sustainable Systems for Health (RSSH) which for the first time, included integrated feedback from the Community Rights and Gender (CRG) Department; 2) Progress report from the Office of the Inspector General (OIG). 3) Updates on Resource mobilisation. The 52nd Board Meeting had three side events on Public Financial Management (PFM); human rights; and climate change.

The Board Meeting also included two high level meetings. In the first, the President of Malawi, Dr. Lazarus McCarthy Chakwera attributed the gains made in Malawi to the Global Fund. During this panel, Joseph Wato, DCNGO Delegation member, also shared civil society perspectives on malaria. The second event was co-organized by Stop TB Partnership and hosted by the First Lady of Malawi, H.E Monica Chakwera, bringing Malawi and regional stakeholders including community and civil society to share progress in ending TB and highlighting the need for further and urgent investment.

All Board constituencies also benefited from substantive site visits' programmes to over ten locations presenting HIV, TB and malaria programmes supported by the Global Fund.

There was extensive agreement from multiple constituencies on the need for community and <u>local</u> civil society organizations (CSOs) to be empowered to ensure the sustainability of the Global Fund's work and that human rights are central for sustainability. In addition to this the Communities; Developed Country NGO and DCNGO Delegations submitted a joint statement on Country Coordinating Mechanisms (CCMs).

¹ Global Risks Report 2024 https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf



2.1. Eligibility

Background: The Global Fund Eligibility Policy determines which country components may be eligible for an allocation, noting eligibility does not guarantee an allocation.

Changes: There have been minor revisions which come into effect in GC8 intended to reinforce sustainability considerations including greater clarity around transition and on what to do if no World Bank Gross National Income (GNI) exists, shifting funding towards lower-income countries and minor updates to multi-country (MC) eligibility requirements. Major changes were considered by the secretariat and were rejected.

The Delegation: highlighted that the World Bank's income classification and WHO disease metrics don't consider historic structural inequalities, and the challenges posed by the anti-gender and rights movements and the impact of these on civil society and communities from key populations. The reliance on the GNI average limits flexibility, especially for countries facing unforeseen challenges and which otherwise, will not have specific funding directed to CSOs.

2.2. Allocation Methodology

Background: Every three years, the Global Fund's Allocation Methodology is reviewed based on the latest evidence and lessons learned, in preparation for the upcoming allocation period. The review of the Allocation Methodology for GC8 also considers the findings and recommendations of the 2024 independent evaluation of the Global Fund Allocation Methodology. 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 the needs of key and vulnerable populations disproportionately affected by the three diseases.

Changes: Revisions responsibly direct more funding towards lower income contexts at all funding levels; shift funding towards TB and malaria once basic HIV funding needs are covered; and ensure that the malaria burden indicator best captures each country's potential for malaria transmission.

The Delegation highlighted: how challenging and divisive the discussion and decision were, and we called on the board not to pit **people** with different diseases against each other but to work together as a partnership. It was clear from the documentation that only at a threshold of raising 16 billion or more in the next replenishment can the Global Fund equitably address the three diseases and ensure sustainability of lives saved and progress towards the Sustainable Development Goals (SDGs). The decision taken reflects the will of the board to provide a greater percentage of our funding to malaria and TB without overly reducing funding to HIV. Some regions (*Eastern Europe and Central Asia* and *Latin America and the Caribbean*) will be disproportionately impacted as well as certain communities from upper middle-income countries – In those countries we need to ensure that civil society and human right organizations get funding so that they can reach people who no one else can reach. We called for direct funding to local and regional civil society and communities who have their headquarters in the country they are working in as well as greater support to flow to multi country grants. We called on the Board to instruct grant management to set out a clear path to do this. As we proceed, we requested regular updates, strong evaluation frameworks, and transparent checks to ensure responsible transitions, involving civil society and communities fully.

2.3. Catalytic Investments

Background: Catalytic investment (CIs) priorities are a portion of available funding that has been set aside for programs and activities that are essential to achieve the aims of the Global Fund Strategy and partner plans, but not adequately provided through country allocations alone. Catalytic investment modalities include: <u>Catalytic Matching</u> <u>Funds</u>; <u>Catalytic Multi-country</u>; <u>Strategic Initiatives</u>

Changes: Every cycle, CI priorities are proposed in response to needs and lessons learned. Proposed GC8 CIs are designed to address specific challenges, highly prioritized at different funding amounts, and designed to better leverage private sector funds where appropriate. These will be shared by the Global Fund soon.

DCNGO Delegation highlighted that CIs must be safe guarded irrespective of any funding scenarios, and they must be sustained. CIs must be protected as the mechanism through which we safeguard critical services for key populations, in the context of significant decreases of allocation, and especially in a worse case replenishment



scenario. CIs must focus on ensuring that multi country grants and building community engagement and AGYW are funded regardless of the replenishment scenarios. We urged the use of CIs, for e.g. multi country grants, to mitigate the impact on the key and vulnerable populations and programmes for them, in the regions that will be severely affected by the allocation changes. We called for stronger monitoring of RSSH programmes, which are not well defined and require improved design and monitoring.

2.4. Sustainability, Transition and Co-financing Policy

Background: The Global Fund's <u>Sustainability, Transition, and Co-Financing (STC) Policy</u> was approved in April 2016. The STC Policy outlines high-level principles for engaging with countries on sustainability and transition and describes the focus of funding requirements for country allocations and specifies co-financing requirements for Global Fund supported countries.

Changes: The revisions are designed to respond to changing context and lessons learned, reinforce sustainability across the entire portfolio, strengthen strategic focus of co-financing, increase focus on value for money, facilitate greater predictability for countries around transition, emphasize alignment with country systems, strengthen differentiation, and introduce revisions for clarity and simplification.

The Delegation highlighted that addressing sustainability levers and the STC policy before GC8 is essential to protect programmatic gains and allow time to prepare stakeholders at the country level for upcoming changes. Additionally, a united effort within the Global Fund partnership is critical to ensure a successful 8th Replenishment. We urge donors to stay focused on our mission, safeguard our achievements, and drive bold, inclusive actions toward ending HIV, TB, and malaria.

While we support the Global Fund's sustainability agenda, we see gaps in prioritizing essential factors—particularly support for communities, key populations, and those left behind. Ending structural barriers, advancing human rights and gender equality, and securing sustainable funding for civil society and communities, both internationally and domestically, must be central. Without this, a holistic sustainability agenda is at risk. The Global Fund should establish practical mechanisms to prioritize these areas, with clear strategies, indicators and evaluation.

We support calls for the OIG to audit transitions, sharing insights and recommendations to guide future actions. We requested clarity on how the Global Fund will address countries that deny the existence of key populations, especially in contexts of punitive laws, human rights violations, gender-backlash, corruption, and increasing barriers to engagement. These factors risk unreliable national data, even potentially impacting alternate sources like UNAIDS.

2.5. Resource Mobilisation

Background: A high-level overview provided by the Secretariat included:

- As of 30 September 2024, pledge conversion is on track. The Global Fund has received 51% of the 7th Replenishment and 100% of the 6th Replenishment pledges in cash and continues to prioritize pledge conversion.
- 8th Replenishment preparation is well on track and earlier than ever. The Global Fund has increased its visibility and positioning in various high-level global and regional events and platforms and is advancing the development of the Investment Case and of the 8th Replenishment campaign.
- Moving forward the secretariat will continue to focus on donor engagement and pledge conversion; Intensify Global Fund positioning, visibility, thought leadership; Step up partnership engagement and collaboration; Continue to build the momentum for the 8th Replenishment; and engage with advocacy partners, champions and influencing leaders.

The Delegation called for collective leadership to mobilize the partnership to secure at least 18 billion. This is what was required last time, and the need has not changed. We must be aspirational and ambitious because falling short means lives lost - people will not receive the treatment they need, and the progress we've fought so hard for will unravel. The Global Fund partnership must align with urgency, ambition, and solidarity to meet this goal.

We are expecting the investment case to highlight the Global Fund's core mission and comparative advantage, while remaining grounded in the economic realities we are facing. In addition to ensuring it is technically sound we will be seeking important details on how well integrated civil society and communities are into the investment case. As affirmed in this Board Meeting - human rights and equity are pathways to ensuring equality in access to prevention



and treatment services for HIV, TB and malaria. The investment case should highlight the importance of investments in community systems strengthening, human rights and gender equality. Collectively we need to make sure not only that the replenishment target is met, but that the funding is used most impactfully, and this means investing in communities and civil society as set out in the <u>Global Funds Advocacy Roadmap</u>.

3. Key acknowledgments

Special thanks to: Health and Rights Education Programme (HREP) Malawi; <u>Malawi Network of AIDS Service</u> <u>Organisations</u> (MANASO), <u>Pakachere IHDC</u>, and <u>Frontline AIDS</u> who enabled the Developing Country NGO Delegation to meet with civil society from NGOs in Lilongwe to dialogue on CCMs; issues around sustainability; and funding reaching civil society. We also thank the nine DCNGO members who joined the Board meeting including: Carolyn Gomes; Andriy Klepikov; Yolanda Paul (Alternate Board Member)' llimbek Sadykov (new member); Cecilia Senoo (Board Member); Aaron Sunday; Faith Thipe (new member); Joseph Wato; and Sophie Dilmitis (CFP).

About the DCNGO Delegation: The DCNGO Delegation works to strengthen the engagement of civil society actors and organisations in developing countries to contribute towards achieving its vision which includes living in a world in which AIDS, TB and malaria are no longer global, public health and human rights threats. For more information please contact: <u>Sophie Dilmitis</u>: DCNGO Constituency Focal Point.