Communities Delegation Constituency Statement
Global Fund 38th Board Meeting

GF/B38/03: Proposal to Integrate Additional Public Donors into the Global Fund Governance Structure

- The Communities Delegation supports the efforts of the Ethics and Governance Committee, Donors Voting Group, and the Global Fund Secretariat in encouraging and attracting new donors to the Global Fund. We note the urgency of this decision point and processes that need to follow going forward.
- We recognise that attracting resources for the Global Fund is not just a responsibility of the Global Fund Secretariat and of donors in the Donor Voting Group, but a shared responsibility of the Global Fund Board.
- **We request the following going forward:**
  - For the Board (through the Governance Network Focal Points) be updated on the discussions leading up to the presentation of the revised process for donor seat allocation at the 39th Board Meeting.
  - For the Global Fund Secretariat to provide to the Board, a spreadsheet of current constituency contributions and pledges (according to constituencies, not countries).

GF/B38/04: 2018 Operating Expenses Budget and Corporate Work Plan

- We recognise that the decision point intends to delay the fiscal stress of the impact of the absorption of the US$12 million to 2019. We are extremely concerned that this does not address the potential risks of scaling-back on key programmes and the impact that this may have. The possible trade-offs for this scenario have may impact key programmes for 2019 which include the mid-term review of the Strategy and preparation work for the 6th Replenishment – both of which are critical enablers for the Global Fund to deliver its strategic objectives and should not happen.
- We encourage more open conversations by the Board with the incoming ED on flexibilities needed by the Global Fund Secretariat with the conclusion of the Fit for Future initiative, and for the incoming ED to report back to the Board based on a forecast of needs based on the needs of the organisation recognising that there would be different levels and streams of work that may be more budget demanding than others.

GF/B38/06: Policy to Combat Fraud and Corruption

- The Communities Delegation welcomes the Policy to Combat Fraud and Corruption, which is meant to be a high level and strategic policy that guides stakeholders in their work.
- **We seek clarity on the decision point part 3.** The background document does not provide context nor rationale on why exceptions may be required by the Executive Director.

GF/B38/08: Annual Report of the Interim Executive Director

- The Communities Delegation commends the Interim Executive Director for this concise report and welcomes an opportunity to reflect on the implementation, impact, and successes of the Global Fund through the work of the Secretariat.
- Going forward, **the Communities Delegation would appreciate a format in the Report from the Executive Director that also clearly outlines the challenges in thematic areas that require attention and guidance from**
the Board.

- We are concerned with the reported burn-out of staff and look forward to how the Fit for the Future initiative would be able to also support the work-life balance of staff, whilst enhancing their effectiveness.

GF/B38/09: Office of the Inspector General Progress Report

- The Communities Delegation commends and expresses support for the work of the OIG that continues to demonstrate the transparency, ethical considerations, and accountability in its reports.

- We find great resonance and agreement, as a delegation of communities living with and affected by the disease, to the five themes raised. In particular, the theme - “Striking the balance between financial and programme assurance,” plucks the strongest chord with our Delegation. Indeed, while striving for robust fiduciary controls in country grants to ensure accountability and credibility to donors (as well as to ensure the grants are used for what they are intended and in the long term make us achieve our mission and mandate), we should make sure that in doing so we don’t impose bottlenecks that prevent communities from receiving urgent, health-preserving and life-saving programmes and services they need. We propose for this issue to be taken up in discussions under the Risk Appetite Framework, and for the Board to give the Secretariat guidance on how the issue is managed (how much risk it is willing to take and for what instances, to not disrupt programme delivery in cases when countries are taking time to fulfil fiduciary requirements or pass assessments).

- The Communities Delegation is concerned about the consistent report from the OIG on the poor quality of services and the inability to retain people living with the diseases on treatment and care services. As the Global Fund continues to work on building resilient and sustainable systems for health, it is important that mechanisms are put in place in grant monitoring, and investments in systems that support access, adherence, and retention to services prioritised.

- We have concerns around the alarming programmatic issues that are raised in the report such as recurring implementation delays of interventions that have the potential to contribute to the long term improvement of health systems including, for example, health information management systems; quality assurance of health products and laboratory testing; systems for procurement, distribution and management of health products; community-based service delivery or renovation of laboratories to improve quality of diagnosis. The Delegation recommends a speedy response by the secretariat in addressing these issues and suggests development of a plan to address these bottlenecks in liaison with the OIG.

GF/B38/10: Office of the Inspector General Agreed Management Actions Report

GF/B38/17: Recoveries Report

- The Communities Delegation notes that there has been a further increase in the number of AMAs and are concerned whether this is a result of the increasing bureaucracy and encourage the Secretariat and OIG to review the processes to ensure that the Secretariat is in a position to deal with continual improvements.

- Our Delegation fully supports the need to fully recover the monies that have been misused, stolen or lost via fraud and corruption. We are concerned that funds have not been recoverable in Guatemala despite all efforts and in necessitating the reduction of its 2017 – 2019 allocation by 2:1. We want to ensure that the $166,672 that is planned for reductions will not affect the CS PR and will not prevent essential services reaching communities impacted by the 3 diseases. We will find it
unacceptable if communities and civil society will be negatively impacted because the MoF has failed to repay these funds and ensure that efforts are made during by the Secretariat when reviewing the funding request to ensure that there are no negative implications to communities.

- We further request that the Secretariat provide a potential list of countries that are in the final stages where recoveries are not possible, and therefore the 2:1 reduction of the 2017 – 2019 allocation would be imposed.

GF/B38/11: Implementation of the 2017 – 2022 Strategy

- Related to the discussions on OPEX, the Communities Delegation stresses the need for the appropriate allocation of resources to achieve all elements of the various Strategic Objectives of the 2017 – 2022 Strategy.
- We note the need for the alignment of the SIP with the KPI framework and other plans, including accounting for the consequences and impact of delaying certain activities on planning and the need for adjusting of other work that had to be put on hold as a result of the delay. E.g. Some of the human rights and key populations work that has not been carried out awaiting completion and analysis of baseline surveys.
- We request an update through the relevant committee and to the Board on the implementation of Dual-Track Financing. We believe that this was last reported at the Board level through the Executive Director’s report at the 22nd Board Meeting. The Global Fund has a responsibility and important role in supporting implementers to ensure that resources reach the vulnerable communities and key populations most in need, and that Dual-Track Financing is a key mechanism in this process by engaging and financing communities and civil society in community responses and in interventions that support building resilient health systems.

GF/B38/12: Report of the Technical Review Panel

- Optimise the use of available data in funding requests: The TRP noted an increase in the availability, quality, and use of data in funding requests, but there were some continued weaknesses in the timelines and gaps in the availability of specific data, such as the size of key populations, gender, and age data breakdown and policy or legal barriers to access for key populations. The TRP also noted funding requests across all three diseases neglected to include important data concerning key populations and general populations with high prevalence. We commend the work of the CRG in supporting countries to measure key population size estimates and request that this process fast-tracked to ensure that this data is available to inform programming especially for transition countries. We strongly encourage technical partners in country to support countries in building their capacity to compile quality programme data to support decision-making on the choice of interventions.
- TRP recommendation follow-ups: We note that many recommendations made to the Secretariat, partners, and to applicants. We would like clarity on how these recommendations are taken up and what is the timeline and the process of implementing them. We would like to see a more systematic approach to adopting recommendations so that they are integrated into the processes for each funding window and that there are continual improvements.
- Need to recognise community response as part of the country health framework: We need countries to recognise and acknowledge the role of communities and civil society in delivering progress on the three diseases. This does not only apply for in-service delivery, but also the role of advocacy that communities play in holding their governments responsible. These roles need to be funded and
integrated into evidence-based programmes. We also request for technical partners to work closely with country stakeholders, especially in TB and malaria, to incorporate community systems in the response.

- **The need to increase investment in HIV prevention for key population and AGYW:** We commend the work of countries for making efforts to expand both HIV prevention activities and the scale-up cascade of care along the 90-90-90 targets. However, we note from the TRP report that there are gaps in coverage across the prevention and treatment cascade deriving from structural, political, and cultural reticence to addressing and scaling-up prevention activities among key populations, as well as for young women and girls. We emphasize the need to increasingly engage and involve key populations in developing these requests and ensure that the engagement translate into budgetary requests beyond the narrative.

**GF/B38/20: Revising the Global Fund Eligibility Policy**

- The Communities Delegation thank the Secretariat and the Strategy Committee for its work on the policy. As a member of the Strategy Committee and knowing the history of the eligibility policy, we are fully aware that there are more than competing interest in different areas on eligibility policy. The Board have decided that the Global Fund should be a dynamic organisation that continuously adapt to how the epidemic evolve and changing. We fully realised that without this flexibility, we will not able to achieve our strategic vision and mission. This is why we feel that the Board allow continuous improvement towards the Eligibility policy – which is Global Fund's primary operational tool to determine the direction of the organisation.

- It is important that when the Board discusses eligibility that it tries to distinguish issues related to eligibility and issues related to resource mobilization. While it is much related, mixing the two can result in a self-censoring Global Fund that limits itself in what it can potentially do to bring the end to the epidemics globally. We should design an eligibility policy that reflects our ambition and appetite for resource mobilisation, as well as achieve the strategic objectives of the Global Fund Strategy.

- We understand that it can be difficult to discuss eligibility without discussing the overall Global Fund model, or at least to have that broader context on how the Global Fund should and could perform its business model. We recommend to the Board and Secretariat to start identifying the best process in reviewing the overall Global Fund grant direction that includes eligibility policy, allocation methodology, STC policy and the funding model.

**GF/B38/21: Evolving Country Coordinating Mechanisms to align with the Global Fund Strategy**

- We thank the Ethics and Governance Committee, the Strategy Committee and Global Fund Secretariat for their efforts to increase the effectiveness and efficiencies of the Country Coordinating Mechanisms (CCMs).

- As in the OIG report, we recognise the lack of, in some cases, in-country monitoring and evaluation frameworks and insufficient program oversight on the part of Principle Recipients Implementation processes by the CCMs and an obvious bypass of in-country reporting processes and systems by the country teams which provide opportunities for implementers to divert resources from the use of their intended purpose and misalignments of program objectives and actual grant outcomes. **We emphasise the need for the process to have outcomes/decisions that enable the Secretariat to provide support to CCMs to be able to take up oversight functions and ensure that technical partners are able to oversee this process and provide adequate technical assistance.**

- We note that with the increasing opportunities for regional funding to achieve
disease elimination and ensure migrants, refugees and ethnic minorities are not left behind, **we believe that there should be greater consultations with regional country mechanisms to provide input into developing a plan that can improve CCMs and RCMs functionality and performance.**

- **Quality participation and engagement** – We recognise that communities and civil society sit on the CCM based on the CCM guidelines and eligibility criteria. We appreciate that the quality, participation, and engagement of members is an area of focus. We stress the need that for communities and civil society to be meaningfully and effectively engaged in CCMs, and stress that going forward we expect to see that sufficient human and financial resources are available for the functions and support of communities and civil society members on CCMS.

- **Funding of CCMs** – The Communities Delegation recognises that co-financing is a way forward that promotes country ownership and the sustainability of CCMs, especially in countries that are transitioning out of the Global Fund. We are concerned that an option on the table is for CCM funding to be taken out of country allocations given that investments in country should be directed for programmatic interventions. The Delegation sees that a gap remains at the country level to strengthen and sustain the work of the CCM, and **recommend exploring the co-financing of CCMs with countries** (on a case-by-case basis), but not taking resources from the country allocations. This relates particularly to the financial needs related to government participation and operational work of CCM secretariats. We believe that this is strategic for CCM sustainability and will help promote country ownership, alignment of Global Fund programmes within the national health sectors, etc.

- **Dealing with problems and issues of CCM performance and Conflict of Interest** – For the next phase of this process, we strongly **recommend that the successes/value-add of regional CCMs/RSCs in dealing with some of the issues incurred in the CCM, for example of RAI has successfully demonstrated effective ways of dealing with issues like Conflict of Interest.**

- **Country Ownership** – we emphasize the need for the continued recognition of country ownership of the CCMs, and for the need to ensure that potential options for different CCMs in different settings are not prescriptive. As such, **request for detailed options and approaches for CCMs bearing in mind different country environments (including legal considerations on human rights) and contexts.** We emphasise that countries need to continue to adhere to CCM leadership and membership selection processes considering equity, and the meaningful participation and access for communities in this process.