

# LATIN AMERICA AND CARIBBEAN CONSTITUENCY MEETING

**Update on Key Activities & LAC Delegation  
41st Global Fund Board Meeting**

**May 14, 2019,  
Geneva, Switzerland**

**Dr. Mirta Roses Periago  
Board Member Global Fund**



# LAC DELEGATION - 41st GFund Board Meeting, Geneva, Switzerland

- Dr. Mirta Roses Periago, Board Member, Director Emeritus PAHO/WHO, Argentina
- Mr. Dereck Springer, Acting AB Member, delegation of authority from Hon. Dr. Marie Gréta Roy Clément, Minister of Public Health and Population, Haiti
- Mr. Javier Luis Hourcade Bellocq, Alternate LA CSO Member(Argentina), Acting Communication Focal Point, delegation of authority from Mr. Dereck Springer, Caribbean Communication Focal Point, Guyana

## **Government Representatives:**

- Ms. Carina Vance - ISAGS – UNASUR, Ecuador
- Dr. Aurelio Nuñez, RCM EMMIE Chair, Panama
- Mr. Pablo Montoya, TCHG Chair, Costa Rica
- Ms. M. Joan Didier, OECS RCM Representative, Santa Lucia

## **CSO Representatives:**

- Mr. Edner Boucicaut, Caribbean CSO, CCM representative, Haiti

## **Expert Member:**

- Mr. Guillermo Birmingham, Audit/Finance, AFC member, Panama

# MEETINGS CALENDAR

- 42 Global Fund Board Meeting  
2019 November 13-15, Geneva, Switzerland
- Global Fund Standing Committees Meeting: AFC, EGC, SC  
July, 2019, Geneva, Switzerland.
- Implementers Group Meeting: September 9, 2019, final venue and date to be confirmed.
- Sixth Replenishment Conference, October 10, 2019, Lyon, France.



# COMMUNICATION PLATFORM

- **Monthly newsletter in Spanish**, No. 43 launched in 2019.
- **Website** [www.lacfondomundial.org](http://www.lacfondomundial.org)
- **PANCAP**: [www.pancap.org](http://www.pancap.org)
- **Facebook** [facebook.com/lacfondomundial](https://facebook.com/lacfondomundial)
- **Twitter** [@FondoLac](https://twitter.com/FondoLac)
- **Six-monthly progress report** for Ministries of Health, Permanent Missions to the Organization of the American States – OAS - in Washington, IOs, CCMs, RCMs, PRs, partners.
- **Regular meetings with GRUA** (LAC Permanent Missions in Geneva)



# COMMUNICATION PLATFORM - IMPACT RESULTS

## Innovation and social communication using networking tools

### 2018 PANCAP

- 848% increase in new users (from 2,428 to 23,011) to PANCAP website
- 627% increase in website sessions (from 3,689 to 26,814)
- Social media (Twitter, Facebook, Flickr and PANCAP YouTube channel more than doubled from 14.5% to 37.1%
- Facebook followers increased from 3,835 to 3,924

### 2018 LA

- 30% (industry average: 21%) of users opening and reading Latin America monthly newsletters (in Spanish);
- 6 Latin America monthly newsletters issued;
- 2 special reports issued (in Spanish);
- 2 Six-monthly Management report issued;
- 992 of users following Latin America Facebook news (in Spanish)
- 1.068 users following Latin America Facebook news (in Spanish)



# COMMUNICATION PLATFORM - IMPACT RESULTS

## Innovation and social communication using networking tools

### 2019 LA (Jan-May)

- 30% (industry average: 21%) of users opening and reading Latin America monthly newsletters (in Spanish);
- 1 Latin America monthly newsletters issued;
- 2 special reports issued (in Spanish);
- 1.068 users following Latin America Facebook news (in Spanish)



# COMMITTEES /GROUPS MEMBERSHIP

- **2013-2015 Implementers Group Chair**  
Mr. Dereck Springer.
- **2014-2016 Strategy, Investment and Impact Committee**  
Dr. Mirta Roses
- **2016-2018 Ethics and Governance Committee**  
Dr. Mirta Roses.
- **As of 2017 Governance Focal Point**  
Mr. Dereck Springer.
- **2018-2020 Audit and Finance Committee**  
Mr. Guillermo Birmingham
- **2016-2019 WHO Strategic advisory group (SAGme) on malaria eradication and MEOC (2017-2020)**  
Dr. Mirta Roses
- **2017-2020 Board member Roll Back Malaria Initiative**  
Dr. Mirta Roses

# EXTENDED SUPPORT TO OTHER REGIONAL STRUCTURES – TCHG

Recently LAC Representation and TCHG launched a survey to review GF activities in LAC Region. Consultative process based on GF Policies: STC Policy, CCM Evolution and Country Ownership. **The main purpose of the revision aims to assess duplicity of efforts** due to the multiple mechanisms financed by the GF in LAC Region; country proposals, multi-country proposals; CAR-LAC, LAC Platform, Portfolio Managers, CCMs, RCMs, Principal Recipients and LFAs.

Deadline May 20, 2019.



# EXTENDED SUPPORT TO OTHER REGIONAL STRUCTURES – TCHG

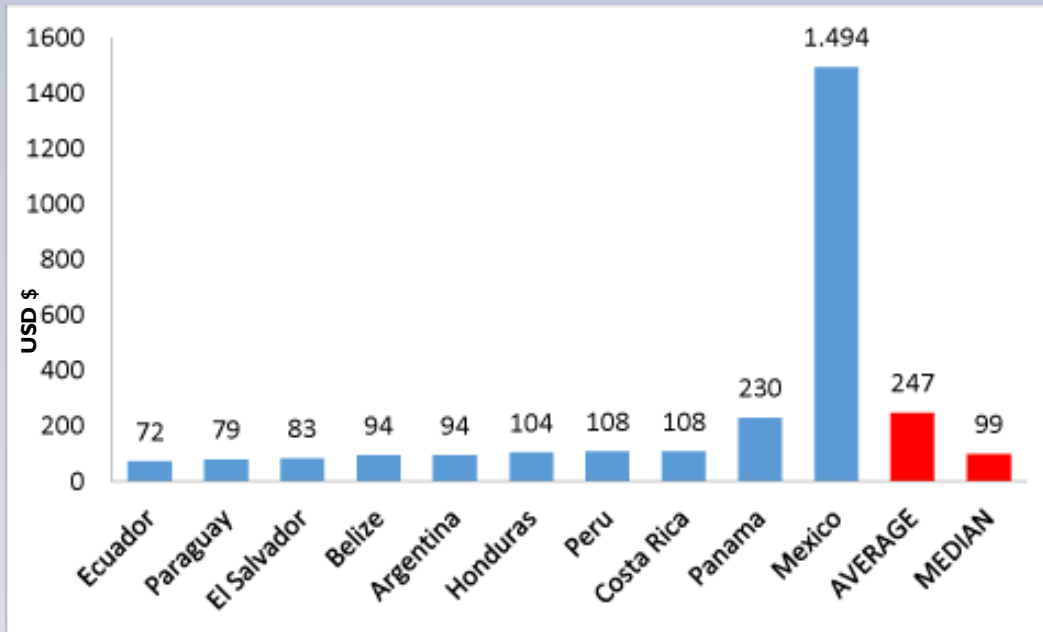
- Technical support to the TCGH Permanent Secretariat to ensure continuity and preserve institutional memory through presidency rotations.
- Technical and financial support to the relaunched TCGH web page and communication tools (Facebook, Twitter)
- Technical support to the Workplan development:
  - ARV pricing data collection exercise;
  - E-learning capacity building plan to promote evidence based management;
  - Support to and participation in Regional grant proposals to the GFund.

# EFAVIRENZ / EMTRICITABINE / TENOFOVIR DISOPROXIL FUMARATE

Country	Efavirenz/ emtricitabine / tenofovir 600mg/200mg/300mg (tablets - fixed dose combination) Cost per unit (USD \$) (period 2017-2018)	Annual cost per patient (USD \$)	SF PAHO Purchase
Ecuador	0.20	72	X
Paraguay	0.22	79	X
El Salvador	0.23	83	X
Belize	0.26	94	
Argentina	0.26	94	X
Honduras	0.29	104	X
Peru	0.30*	108	X
* Peru reported one purchase through UNICEF with a lower cost per unit of USD \$ 0.27	0.30	108	X

# Annual cost per patient (USD \$)

## EFAVIRENZ / EMTRICITABINE / TENOFOVIR DISOPROXIL FUMARATE Fixed dose combination (2017-2018)



Annual cost per patient	
Upper value	US\$ 1 494
Average	US\$ 247
Median	US\$ 99
Lower value	US\$ 72
Number of countries with 'annual cost per	

▶ \* Belize and Mexico do not perform purchases through PAHO Strategic Fund

# CURRENT GOALS

- Secure a strong voice and presence of LAC in the governance and in the standing committees (policy makers).
- Highlight the relevance of investing in diseases elimination (malaria, mother to child transmission, MDR TB) and in middle income countries.
- Protect the achievements during and after the transition: domestic investments, civil society participation and Key populations, legislation.
- Identify emergency situations and work actively exploring potential solutions, i.e. Venezuela, hurricane-affected countries.
- Strengthen established networks: Sex Workers, Transgender, People Living with HIV, Parliamentarian TB and AIDS groups, and promote South-South Collaboration.



# SELECTED ISSUES OF SPECIAL INTEREST TO LAC DELEGATION

- **Allocation Methodology 2020-2022**
- **Catalytic Investment**
- **Strengthening Civil Society**
- **Strengthening the commitment to eliminate diseases**
- **Strengthening Committee Selection Processes**
- **Strengthening Governance**
- **Strengthening Financial and Performance Oversight**

# Allocation Methodology 2020-2022

## KEY ISSUES

- Through the global disease split, allocation formula and qualitative adjustments, the country 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.
- The Strategy Committee recommends maintaining the global disease split for the 2020-2022 allocation period, which **allocates 50% of funding for country allocations to HIV, 18% to TB and 32% to malaria.**

# Allocation Methodology 2020-2022

## KEY ISSUES

- The Strategy Committee recommends maintaining the approach to provide scale-up for impact and paced reductions in the allocation formula based upon its effectiveness in the 2017-2019 allocation methodology.
- Technical Parameters of the Allocation Formula are the disease burden indicators for HIV, TB and malaria, the Country Economic Capacity (CEC) indicator, minimum and maximum shares, and the external financing adjustment.
- **The malaria burden indicator has been updated to refine the period of peak burden and account for population growth differences among countries since the period of peak burden; while the HIV and TB burden indicators remain unchanged.**

# Allocation Methodology 2020-2022

## KEY ISSUES

- The **qualitative adjustment** process allows for allocations to be adjusted up or down to address key epidemiological, programmatic and country characteristics, **on a case-by-case basis, in order to determine final country allocations.** The Strategy Committee had an initial discussion on potential factors for the qualitative adjustment process and will be requested **to approve the qualitative factors and process for the 2020-2022 allocation period in July 2019.**



# Allocation Methodology 2020-2022

## KEY ISSUES

### Refinements to the Allocation Methodology

- **Removed the 15% cap** for the use of available sources of funds for catalytic investments and to ensure scale-up, impact and paced reductions. The amount retained for catalytic investments is now linked to the sources of funds available for allocations, which means that the 15% cap is no longer relevant.
- Removed references to a maximum of **USD 800 million funds to be used for catalytic investments and sources of funds for country allocations.** The actual limit will be included in the relevant decision point that the Board approves for a specific allocation period.

# Allocation Methodology 2020-2022

## LAC CONCERNS

- **Limited level of engagement and ambition** of the proposed **funding scenarios** since they are estimated according to replenishment possibilities.
- **Protect achievements** due to potential risks of paced reductions in the next grant cycle.
- Create **innovative GF allocation mechanism** specific for **countries “ending the epidemic”**, and review the eligibility criteria since countries towards elimination are expected to revert to concentrated epidemics.
- Develop an **in-country investment case with different scenarios** according to the level of allocation amount received; i. e.: estimated coverage and/or population reached by the intervention with minimum, median or maximum allocation amount



# Catalytic Funding

## KEY ISSUES

- The Strategy Committee's recommended catalytic priorities, grouped by catalytic funding scenario. The recommended investments either respond to areas of underperformance in the strategic KPIs or are critical to achieving progress against the three diseases and in building RSSH in ways that country allocations alone cannot adequately address.
- **Recommended Priorities.** Four new priorities identified: Differentiated HIV Service Delivery (SI); TB Preventive Treatment for PLHIV; Condom Programming; Innovative Finance (SI).

# Catalytic Funding

## LAC CONCERNS

- The proportion of funding should be larger for multi-country approaches and **strategic initiatives related with diseases elimination**, in order to sustain achievements.
- Establish mechanism that allow for **monitoring in country absorption capacity and performance** in implementation and be able to use catalytic funds to ensure scale-up, impact and paced reductions in funding.
- Country allocations to priority countries should be strategic and not require incentive from catalytic. Savings from market shaping should release funds to allocate to strategic issues.
- **Performance based allocations and Reward mechanism from disease elimination experiences to be considered.**

# Strengthening Civil Society

## LAC common position

- **Civil Society as key essential player for achieving goals of saving lives:** embedded in the response at national, regional and global level, as part of the design, implementation and monitoring of country and multi-country grants and reaching KPs. CSOs advocacy role increased domestic funding as well as secured GF successful replenishments.
- **Sustaining the gains and protecting the achievements.** Crucial actions and concrete interventions are needed by the Global Fund and its partners **on the Civil Society Capacity Building initiatives** to ensure that Civil Society will retain and sustain their organizational and administrative capacity.
- **Transitions put Civil Society Organizations and key populations at risk.** KPs programming donor-funded and not absorbed by governments that are also facing challenges with social contracting e.g. local regulations. GF partnership needs to identify creative approaches, i. e. bridge funding. Additionally, SO of building RSSH could incorporate an indicator related to Government's capacity to implement social contracting with CSO's.

# Strengthening Civil Society

## LAC common position

- Identified need to see a **comprehensive approach promptly defined to address Civil Society Strengthening and sustainability,** early involvement and a conducive environment to become local service providers, an across the board approach in Country and Multi-country grants from the very beginning of the Grant-making process in order to prevent harmful transitions.
- Special request: the SC should discuss in future meetings a **comprehensive strategy to protect CS during transitions and after countries become ineligible** as part of the Allocation Methodology, Strategic investment, Catalytic Fund, and UQD as well as, in the Operational Budget, developing specific and innovative interventions like the development of bridge funding for CS and Key Populations organizations and networks.

# Strengthening the Commitment to eliminate diseases

## LAC common position

### **Smart use of the allocation methodology and the catalytic funding and the grants design.**

- ✓ Depending on the outcome of the 6th Replenishment, we can foresee that many more components could similarly experience large reductions.
- ✓ Qualitative adjustments will be critical to ensure that reductions are not too sudden or too steep and these adjustments should capture potential risk of resurgence at Regional level.
- ✓ The challenge of countries on the road to elimination is not only their own strategy and commitment but also the shared responsibility with neighboring countries especially when there are bordering high burden countries. This is particularly critical in Malaria but also important in the other 2 diseases.

# Strengthening Committee Selection Processes

## LAC common position

Main improvements in the proposed model to guarantee transparency and due diligence, especially in the following related areas:

- Preserve institutional memory for effective continuity
- Balance representativeness to ensure that all constituencies serve on at least SC or AFC for any given term
- Ensure representation on each committee of at least one civil society constituency



# Strengthening Committee Selection Processes

## LAC common position

Main improvements in the proposed model to guarantee transparency and due diligence, especially in the following related areas:

- Enhance competency based process. The Constituencies have the responsibility to propose qualified candidates, then the most competent candidates are selected, and candidate's suitability and availability to serve are assessed.
- Provide equitable opportunities between weighted and un-weighted seats (i. e., a candidate from a constituency who does not have a weighted seat will receive preference for a Committee leadership role).

# Strengthening Governance

## LAC common position

Pre- Board approved decisions on governance:

- Broadly consultative process and the inclusion of many of the suggested changes or improvements in the **Amendments to the Operating Procedures of the Board and Committees**
- Extensive work done by EGC, AFC, IG and EO, on the **Revision of the Charter of the Office of Inspector General**
- Thorough process undertaken OBA, EGC, Board leadership and BLNC and the successful **appointment of Board Chair and Vice- Chair: *Dr Donald Kaberuka as Chair of the Board and Lady Roslyn Morauta as Vice-Chair of the Board for the next cycle and we wish them well.***

# Strengthening Financial and Performance Oversight

## LAC common position

- **Financial Oversight on Sources and Uses of Funds and OPEX.** Regarding Funds for Portfolio Optimization, although Secretariat requested \$250M for portfolio optimization under the Unfunded Quality Demand (UQD) Prioritization Framework for the 2017-2019 allocation period (conservative approach), in order not to over commit funds, LAC identified the need to improve grants implementation capacity and the importance of prioritizing countries on elimination phase particularly on malaria as well as the containment of AMR and MDR-TB to profit from the momentum.

# Strengthening Financial and Performance Oversight

## LAC common position

- **Human Resources Management.** Human Resource initiatives, performance and talent management review, currently under development process to be implemented in 2020, which seeks the input from staff, staff council, and senior management. Recognized improvement in gender balance but request further work on staff wellbeing based on the low reduction observed on medical leave levels.
- **Strategic Performance assessment.** Low progress on KPI3 Human rights identified as well as the identified need to review the persisting obstacles as noted also in the OIG assessment.
- **Sourcing and Supply Chain.** Market shaping strategy and Wambo. Delivering underperform and therefore require a deep dive analysis. Probably, there will be no expansion of pilot projects.