

LATIN AMERICA AND CARIBBEAN CONSTITUENCY MEETING

**Update on Key Activities & LAC Delegation
46th Global Fund Board Meeting**

**November 5th, 2021,
Virtual Meeting**

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



LAC DELEGATION - 46th GF Board Meeting

- Dr. Mirta Roses Periago, Board Member, Director Emeritus PAHO/WHO, Argentina
- Hon. Dr. Nicholas Steele, Alternate Board Member, Senator, Minister of Health, Grenada
- Mr. Rosmond Adam, PANCAP Director, Caribbean Communication Focal Point, Guyana
- Dr. Gabriela de la Iglesia, LA Communication Focal Point, Argentina

Government Representatives:

- Hon. Dr. Alejandra Acuña, Exec. Secretary, COMISCA, SICA, Costa Rica
- Ms. M. Joan Didier, OECS RCM Representative, Santa Lucia

CSO Representatives:

- Mr. Edner Boucicaut, Caribbean CSO, Haiti
- Lucien Govaard, CariFLAGS Co- Chair, Youth Representative, Surinam

Expert Member:

- Mr. Dereck Springer, Former PANCAP Director, Guyana
- Mr. Guillermo Birmingham, Audit/Finance, AFC member, Panama
- Dr. Eduardo Hage Carmo, Public Health Specialist, Former Senior Public Health Officer at ISAGS – UNASUR, Brazil

COMMUNICATION PLATFORM

- **Monthly newsletter in Spanish**, No. 54 launched in August 2021.
- **Website** www.lacfondomundial.org
- **PANCAP**: www.pancap.org
- **Facebook** facebook.com/lacfondomundial
- **Twitter** [@FondoLac](https://twitter.com/FondoLac)
- **Six-monthly progress report** to Ministries of Health, Permanent Missions to the Organization of the American States – OAS - in Washington, IOs, CCMs, RCMs, PRs, partners.
- **Regular meetings when possible GRUA** (LAC Permanent Missions in Geneva)



COMMUNICATION PLATFORM - IMPACT RESULTS

Innovation and social communication using networking tools

2021 PANCAP (English)

- Total of 11,089 PANCAP website users from June - October 2021
- The website accumulated 13,194 sessions during this period
- Twitter engagement increased to 28,900 from June - October 2021 with an average of 263 impressions per day during the 91 day period.
- Facebook followers increased from 4,685 to 4,716. The account currently has 4,478 users who have “liked” the page.

November 2021 LA (Spanish)

- 30.8% (industry average: 21%) of users opening and reading Latin America monthly newsletters (in Spanish);
- 4 Latin America newsletters issued;
- 2 special reports issued (in Spanish);
- 1.301 users following Latin America Facebook news (in Spanish).
- Twitter: 389 followers.

COMMITTEES /GROUPS MEMBERSHIP

- **2017 on going Governance Focal Point and 2020 chair ImG strategy development group** Mr. Dereck Springer.
- **2018-2020-2022 Audit and Finance Committee**
Mr. Guillermo Birmingham
- **2018-2022 WHO MEOC Malaria eradication oversight committee (2017-2022)** Dr. Mirta Roses
- **2017-2022 Board member Roll Back Malaria**
Dr. Mirta Roses
- **2020-2022 WHO Special Envoy COVID -19 for LAC**
Dr. Mirta Roses

Increase effective communication within LAC constituency

- LAC Steering Committee with main stakeholders: a) Global Fund LAC Regional Manager and country teams responsible for country and regional grants; b) representatives from Civil Society networks, technical partners PAHO/WHO and UNAIDS; and c) National Health authorities.
- LAC Steering Committee fluid and constant communication/consultation with sub-regional structures, PANCAP/CARICOM, SICA/COMISCA and ORAS/CONHU Andean Region and LAC GF Platform

LAC CONSTITUENCY EFFECTIVE COMUNICACION - Expected Results

- Improve LAC Constituency information sharing, consultations, outreach efforts and relationships between GF Secretariat, the LAC representation to the Board and the beneficiary/implementing countries.
- Sustain the fluid exchange and dialogue with the LAC Regional Manager, Giulia Perrone.

SELECTED ISSUES OF SPECIAL INTEREST TO LAC DELEGATION 46th Board Decision points

- **OPEX Evolution Budget and work plan for 2022**
- **Global Fund Strategy Narrative 2020-2025**
- **New model for independent evaluation function**
- **Adjustments to the risk appetite framework and
Risk appetite management report**
- **Allocation update and global disease split**

OPEX Evolution Budget and work plan for 2022

Ultimately, US\$ 27.5M has been awarded to the six priorities as follows:

- a. Achieve results in HIV, TB & Malaria (US\$ 4.8M)**
- b. Mitigate the impact of COVID-19 (US\$ 0.0M - funded via C19RM operating & management cost)**
- c. Drive efficiency and effectiveness (US\$ 14.0M)**
- d. Invest in people (US\$1.5M)**
- e. Prepare to implement the next Strategy (US\$ 2.8M)**
- f. Deliver the 7th Replenishment (US\$ 3.9M)**

OPEX Evolution Budget and work plan for 2022

DECISION POINT

Based on the recommendation of the Audit and Finance Committee, the Board approves the:

1. 2022 Work Plan and Budget Narrative, as set forth in GF/B46/02; and
2. 2022 Operating Expenses Budget in the amount of US\$ 322.2million, as set forth in GF/B46/02 (the “2022 OPEX Budget”), which includes (i) US\$ 65.5 million for in-country and external assurance activities, as described in GF/B46/02, and (ii) US\$ 14.9 million for the Office of the Inspector General’s 2022 operating expenses.

Strategy Development – 2021 calendar

<u>Date</u>	<u>Engagement</u>
11-12 May 2021	45 th Board Meeting Input/guidance by Board on revised draft Strategy Framework (second revision) Following meeting, Secretariat incorporates input into SC document for SC input and recommendation at extraordinary Strategy Meeting (15 June 2021).
12 May – 1 June	Updates to Strategy Framework
1 June 2021	Distribution of Strategy Framework to the SC for recommendation to the Board (2 weeks ahead of Extraordinary SC Meeting)
15 June 2021	Extraordinary Strategy Committee Meeting <u>Recommendation to the Board:</u> Strategy Framework
5-6 July 2021	SC16 – No focus on Strategy Development
1 July 2021	Distribution of decision document on Strategy Framework to the Board (3 weeks ahead of Extraordinary Board Meeting)
22 July 2021	Extraordinary Board Meeting <u>Decision:</u> Adoption of Strategy Framework
July/August	Development of Draft Strategy Narrative
Early September	Draft Strategy narrative circulated for preliminary input
21 September 2021	Distribution of document to SC recommending Strategy (including narrative)
	Bilateral calls with SC Members
By 1 October 2021	Deadline for submission of input by constituencies not represented on the Strategy Committee
5-6 October	17 th Strategy Committee Meeting <u>Recommendation to the Board:</u> Global Fund Strategy (with narrative)
19 October 2021	Distribution of decisions document to the Board on Global Fund Strategy (3 weeks ahead of 46 th Board Meeting)
19 October – 8 November	Consultation calls as relevant
9-10 November	46 th Board Meeting <u>Decision:</u> Adoption of Global Fund Strategy
November/ December/Q1 2022	Preparations for 7 th Replenishment including launch of Investment Case



Approval of Strategy Narrative for the 2023-2028 Global Fund Strategy Decision Point

Based on the recommendation of the Strategy Committee, as presented in GF/B46/03, the Board approves the Strategy Narrative for the 2023-2028 Global Fund Strategy in Annex 1 to GF/B46/03. Budgetary implications: The Secretariat will work with the Audit and Finance Committee on anticipated costing and operating expenses related to the Strategy once the Final Strategy is approved.

New model for independent evaluation function

- In the new model, the **implementation of the evaluation function** is a **shared** responsibility **between Governance bodies** and the **Secretariat**.
- Independent evaluation is delivered by two structures
 1. A new evaluation function, to be **established by the Secretariat in the Office of the Executive Director** as the **Evaluation Unit**, responsible for executing the multi-year evaluation calendar approved by the Board; and
 2. An **Independent Evaluation Panel (IEP)**, an **advisory group**, **independent from the Secretariat** and **accountable to the Board** through the SC.

New model for independent evaluation function

Characteristics

- The new model is designed to deliver on learning
- The new model is also designed to address the fragmentation issues and mitigate duplication.
- The new model is designed to improve accountability of evaluation findings
- Country stakeholders voice and engagement is core to the new model of independent evaluation

New model for independent evaluation function

Next Steps

- If the Board approve the recommended decision, the immediate next step will be to recruit the Chief Evaluation and Learning Officer (“CELO”) and begin the transition from TERG to IEP.
- 2022 will remain a transition year but the new entities in the new model should be established as soon as possible in order to develop the multi-year evaluation calendar in advance of the next Strategy period.

Adjustments to the risk appetite framework

Five steps approach

- **A top-down and bottom-up analysis of grant risk levels;**
- **Engagement with disease Situation Rooms and partners on the global level of ambition in terms of making up lost ground in achieving programmatic targets** (the best approach for a specific country will be decided on a case-by-case basis to propose adaptations, mitigations, and the risk trade-offs);
- **Prioritization of interventions and mitigating measures on a country-by-country basis for all countries in the risk appetite cohort;**
- **Assessment of the impact of COVID-19 and mitigations on the time it will take to reach the target risk level for program quality** (working with partners, including the HIV, TB and malaria partner communities) – looking at baseline risk levels, current risk levels, past performance trajectory, level of ambition, likelihood, and the timeframe for prioritized adaptations to have a positive impact on programmatic results; and,
- **Assessment of the impact of COVID-19 and mitigations on the time it will take to reach the target risk level for grant-facing risks other than Program Quality** – including looking at baseline risk levels, current risk levels, the cumulative effect of the incremental risk as a consequence of program adaptations over the next 12-24 months, delays in planned systems strengthening initiatives; and timeframes for the mitigating actions to have an impact.

Adjustments to the risk appetite framework

Summary of recommendations

- Increases in risk appetite are being requested for four out of eleven grant-facing risks: Program Quality TB, procurement, and the two financial and fiduciary risks.
- Extensions of timeframes for reaching target risk levels are being requested for five out of the eleven risks: Program Quality HIV, TB and malaria to reflect the time it will take to implement priority adaptations and regain lost ground, M&E to reflect the time it will take to respond to evolved M&E needs and expectations around recency and use of data, and the In-Country Supply Chain risk to reflect delays in implementing key supply chain strengthening initiatives.
- Target timeframes are also being proposed for reaching target risk levels for Procurement and the financial and fiduciary risks.
- No changes to risk appetite statements are being proposed for three out of the eleven risks: InCountry Governance, Quality of Health Products, and Foreign Exchange.

Allocation update and global disease split

- The SC agreed that TB needs should be urgently addressed, that HIV/AIDS and malaria programs and low-income countries should be protected, and **that other policy levers could mobilize additional resources for TB with partner collaboration.** However, the SC concluded that more time was needed to allow for constituency consultations and potential refinements to the options proposed. The Strategy Committee did not reach consensus on a recommended global disease split for the 2020-2022 allocation cycle. To enable adequate time for Board constituency preparations, the Strategy Committee has put forward two options for the Board's consideration.

Allocation update and global disease split

- **Option 1** is to change the global disease split based on available funding according to the following approach: (1) apply the existing global disease split to the first US\$ 11 billion available for country allocations,¹ and (2) apply a new global disease split of 45% for HIV, 25% for TB and 30% for malaria to additional amounts of funding over US\$ 11 billion.
- **Option 2** is to maintain the existing global disease split of 50% for HIV, 18% for TB and 32% for malaria.
- The Secretariat's recommendation is Option 1, as this will drive additional resources towards TB at certain funding levels while protecting HIV and malaria programs from large decreases compared with the 2020- 2022 allocation period.
- Keeping the global disease split unchanged in any funding scenario would be a missed opportunity to respond to the increased need for investments in TB.
- The Strategy Committee did not recommend the option of changing the split regardless of available funding, or other suggested options, as these would undermine efforts against HIV and malaria and lower resources available to low-income countries in the event of less resources available