

December 10th, 2021

Honorable Ministries and Secretaries of Health,

It is my honor to address you on presenting the final progress report on the key actions undertaken during my managerial responsibilities as Global Fund Alternate Board Member for the Latin American and Caribbean constituency for the period 2019-2021.

As already reported, the nomination process for the LAC Representation for the period 2021-2023 was launched in keeping with the Terms of Reference approved at the Latin America and Caribbean Constituency Meeting in Santo Domingo, Dominican Republic, 24-25 July 2013; and subsequent amendment in the Parallel session during PAHO Directing Council, in Washington D.C., September 2015. According to the rotation agreed, the Board Member will be from Latin America Sub-region and the Alternate from the Caribbean Sub-region.

The call for Board member was issued with a deadline on June 28th for Latin America. Board Member Nomination Committee (BMNC) was established to review nominations following specific selection criteria.

The Committee was integrated by well-recognized experts in the LAC Region with extended experience on Global Fund related issues, as follows:

- Dr. Lucrecia Ramirez de Castellanos, Ministry of Health Advisor, Former Vice-Minister and Former National TB Program Manager, Ministry of Health, Guatemala.
- Dr. Lourdes Kusunoki Fuero, Program Coordinator “Strengthening TB laboratory diagnostic in the Region of Americas” regional grant of the Global Fund, ORAS/CONHU.
- Lic. Javier Hourcade Bellocq, Civil Society Leader, Communities Delegation Member and Former LAC Delegation Member to the GF Board.

The BMNC recommended Dr. Mirta Roses Periago and submitted officially to the LA MOHs, requesting no-objection with deadline on August 2, 2021; as established common practice, lack of response was deemed to be an approval. The Minister of Health of Argentina was the presenter of said nomination.

In the Caribbean Sub-region, the call for nomination for Board Members was issued with deadline on August 24, 2021. The Council for Human and Social Development (COHSOD) members endorsed the Hon. Dr. Nicholas Steele, Senator, Minister of Health, Grenada, as the Alternate Board Member.

The LAC Delegation Composition for the period November 2021 and October 2023 will be announced at the beginning of 2022.

The LAC delegation participating in the Forty Sixth Board Meeting and the fourth one held virtually on November 8-10, 2021, was headed by myself, as Board Member, Hon. Dr. Nickolas Steele, as ABM, Senator, Minister of Health (Grenada); Dr. Rosmond Adams, Director of PANCAP, CARICOM Secretariat and Caribbean Communication Focal Point (Guyana); Dr. Gabriela de la Iglesia, LA Communication Focal Point (Argentina); Mr. Edner Boucicaut,

Caribbean CSO Member, Former Chair of CCM Haiti (Haiti); Mr. Lucien Govaard, CariFLAGS Co- Chair, Youth Representative (Suriname); Ms. M. Joan Didier, OECS RCM Representative (Saint Lucia); Hon. Dr. Alejandra Acuña, Exec. Secretary, COMISCA, SICA (El Salvador); Mr. Dereck Springer, Former PANCAP Director (Guyana); Mr. Guillermo Birmingham, Audit/Finance, AFC member (Panama); and Dr. Eduardo Hage Carmo, Public Health Specialist, Former Senior Public Health Officer at ISAGS – UNASUR, Brazil.

LAC Delegation commended the ED for the swift, opportune, and decisive strategic decisions made with flexibility and creativity to position the GF in the challenging pandemic scenario. Once again, the Global Fund partnership has shown the way to respond to the crisis under the innovative COVID-19 Response Mechanism and the Grant Flexibilities, protecting its core mandate, ensuring adequate response and program continuity. LAC appreciated the extraordinary efforts and dedication of the GF leadership and all staff. At the same time, the LAC Delegation reminded that it is time to take stock and leverage on the lessons learned from the C19RM’s grants agility and flexibility to design, review and approve proposals, as well as the need to strengthen M&E and risk management jointly with partners at country level. LAC valued the ED’s commitment to improve communication, keeping all informed through his COVID-19 regular update calls. LAC highly appreciated his proactive role and intensified focus on tackling and avoiding sexual harassment and exploitation (SEAH). LAC also expressed deep appreciation to Nick Jackson, Ethic Officer, for his work on SEAH, since this was his last board meeting, and LAC constituency highly recognized his outstanding contributions to Ethics in the GF, setting a high bar to continue building upon.

LAC supported and celebrated the approval of the Strategy Framework and Narrative resulting from 18 months of strategic debate, bearing in mind that this is just the beginning of the next stage, moving urgently to the definitions on implementation. It will require tight timelines and include the evolution of the Grant Business model, tailored to country’s needs, and to the local Governance model, to make the investments more efficient and integrated, more impactful, less vulnerable to fraud and diversions, and ensuring attainment and sustainability of agreed goals and targets. LAC called for synchronizing all the Global Strategies as they are landing at country level. This will require a revamping of CCMs and RCMs model and the urgent alignment with a comprehensive and integrated National Plan. Due to the lack of presence of the GF at local level, an innovative arrangement with partners, governments representatives from multiple sectors beyond health, CSOs, NGOs, KVPs, private sector (“everyone on board”) to rebuild the road to SDGs and 2030.

Regarding the resource mobilization current and future scenario, LAC stressed the hard impact of COVID-19 on the development aid as well as on the fiscal situation of implementing countries, even to comply with agreed domestic financing in the current grant cycle, calling for special efforts from the ED, the Board, and committees, to prioritize a review of eligibility criteria, transition, and sustainability as well as the allocation methodology, to reach the 2025 and 2030 agreed goals.

This will be influencing the design of the investment case to make it appealing, in order to achieve a successful Seventh Replenishment in 2022. The investment case will be key as well as the engagement of the CSOs advocacy network both for domestic funding as well as for attracting new donors particularly from the private sector and new and old philanthropies.

After more than a year and a half, COVID-19 not only put a halt to the progress made on the three diseases response, but it also rolled back most of the achievements. LAC will work with the entire partnership to address the unfinished agenda, recover from the losses and move forward bearing in mind its powerful contributions to Pandemic Preparedness and Response (PPR).

The LAC Delegation flagged a key message on the Global Disease Split (GDS) for the 2023-2025 Allocation Methodology: “The implementation of the next strategy is highly dependent on the “how to” or the implementation aspects as well as the way the resources will be allocated and used in an effective manner. We therefore join other constituencies in expressing our concern

with the current separate discussion on the GDS. LAC strongly supports that financial resources should be increased for TB, since the share of tuberculosis deaths (excl. TB/HIV deaths) among total deaths has increased and TB accounts for the largest number of deaths. Furthermore, TB burden is concentrated in middle-income countries. However, we need to analyze the drivers of TB morbidity and mortality to address them properly. On HIV, the GDS presentation highlights a significant share of HIV deaths occurring in upper-middle income countries. This finding is crucial since the resources have been limited in the LAC Region in the last year due to the pandemic impact. Consequently, the severe impact on the HIV funding landscape in the LAC region will negatively affect the ability to sustain achievements and reach the goals as set up globally by 2030. As we have already stated, GDS is not just a matter of projections and distribution of financial resources; other relevant issues should be considered, such as: country absorption capacity, performance evaluation, Value for Money, economic and epidemiological impact of COVID-19. Therefore, a global formulation will not necessarily be applicable to the situation in every Region and country. TGF needs to protect and continue the progress on HIV and Malaria as well as sustaining the health systems investments, to regain from the losses due to COVID-19 and meet the established goals. The Region of the Americas remains heavily affected by the COVID-19 pandemic, therefore decisions related to GDS should also consider countries' context and improvements in program performance as part of a differentiated country-specific approach to allocating investments according to their needs. With regards the GDS option subject to Board approval, we acknowledge the Secretariat's great effort to design an option that intends to protect HIV and malaria programs from large decreases compared with the 2020- 2022 allocation period, while driving additional resources towards TB at certain funding levels. However, we should review the allocation of resources in a holistic way and have a more transparent discussion and modelling using the combination of catalytic funds, strategic initiatives, multi-country grants, portfolio optimization, and quality unfunded demand as means to address specific high value for money investments in reducing TB and TB/HIV incidence and mortality without impacting negatively on HIV and Malaria. In that sense, we urge to develop a very strong message in the investment case, in such a particularly challenging scenario for the coming replenishment, to draw attention of donors to buy into TB but not at the expense of HIV and Malaria programming. Considering TGF remains the largest international funder for TB and malaria, there is a need to agree on a minimum level of the overall allocation for TB to pull the negotiation during the replenishment especially for each dollar above \$11 billion, without compromising HIV and malaria programs. At the same time, we need to identify new TB resources, allocated from a mixture of sources. Finally, we reiterate our previous message about the opportunity to take stock of the lessons learnt through the C19RM mechanism, as regards data availability and coordination with partners, and look at what can be translated in the GF business model".

In addition, LAC highly appreciated OIG and her staff dedication, efforts, and results under these particularly difficult conditions generated by COVID-19. The OIG Report was duly presented, and the strategic results approach was most welcomed. LAC has raised several times the need to review the role of GF at local level to advocate and press for higher domestic funding jointly with partners, CSOs and Parliamentarians. LAC also thanked the Risk Management Officer and his team on the sharp analysis; in the same way, LAC supported the decision point on the increased level of Risk Appetite of temporary nature and the timeframe shifts due to the impact the pandemic has had on the measures. Moreover, LAC agreed on the need to review the LFA role and PRs, subPRs and CCMs oversight and coordination responsibilities and increased relationship with Audit National Bodies. LAC also reiterated that use of wambo.org must remain optional and not mandatory for countries.

At its meeting, the Board also discussed the Independent Evaluation Function. LAC Constituency acknowledged the progress made on the proposed new Independent Evaluation Function and welcomed the engagement of country level stakeholders in this model. LAC recommended that all evaluation reports delivered are made public in a timely manner to improve knowledge sharing, learning and good practices dissemination. LAC has requested for several years a learning and knowledge sharing locus in the GF structure, so we welcome this decision.

Concerning the 2022 Operating Expenses Budget, LAC Constituency supported the approval of the OPEX budget. With regards to the reduction planned for travel of \$2.4M; LAC welcomed the decision of reallocating a portion of these savings (\$1.8M) to the area of Office Infrastructure where IT costs are captured, in order to increase efficiency under the current working environment across the world due to the pandemic.

The Board most relevant decision approved unanimously were the Independent Evaluation Function; 2022 Work Plan and Budget Narrative and the 2022 Operating Expenses Budget; and the Global Disease Split for the 2023-2025 Allocation Methodology. There was an Executive Session of the Board to review the Board Leadership continuity.

Before the actual Board meeting, both the Implementers Group and the LAC Delegation held preparatory meetings on November 1 and 5, respectively, to review key issues and agree on common positions particularly about the Approval of the Strategy Narrative for the 2023-2028 Global Fund Strategy; the Global Disease Split for the 2023-2025 Allocation Methodology; the Independent Evaluation Function; 2022 OPEX Budget and Workplan; COVID-19 and Business Continuity other critical agenda items of shared interest.

Regarding the LAC grant portfolio update, a total amount of 381 million for the HIV/AIDS, HIV/TB, Malaria, RSSH, TB and Multi-components has been allocated for the 2020-2022 cycle with an absorption capacity of USD \$ 246 million signed and USD \$ 64 million disbursed. Additionally, as of March 2021, GF provided US\$ 177M (C19RM and grant flexibilities) to the COVID-19 response in LAC, including bolstering health systems and mitigating the impacts on lifesaving HIV, TB and malaria programs. The monitoring process of COVID-19 disruption showed that LAC was the most heavily disrupted region in 2020, remaining at high risk for Grant implementation at the end of 2021. With regards to the transition grants in LAC by December 2021, 5 countries will be in process: Belize, Dominican Republic, Panama, Paraguay and Surinam.

Concerning the methods of work for LA Representation, I would like to recognize the ongoing support received from the Latin America Communication Focal Point for the GF and the Area of Communication Platform support. The Latin American local support group to the Alternate Board Member continues functioning through virtual communication with additional members from NGO Networks, Civil Society, and technical partners such as PAHO/WHO and UNAIDS.

The Caribbean subgroup continues to be supported through the PANCAP/CARICOM platform and there is a fluid and constant communication and consultation among the two sets of countries. PANCAP/CARICOM is also the very capable administrator of the funds received to support the LAC operations and PAHO /WHO provides administrative support to the Latin America representative for the operation and maintenance of the communication platform in Spanish to ensure a continuous flow of information within the Constituency and with other stakeholders in the Latin America sub-region. Funding support is also to provide the technical expertise in analyzing and compiling policy and strategy documents and comments from all stakeholders including PAHO, UNAIDS, CCMs and RCMs, and presenting and /or negotiating the regional position at the Board level.

Beyond my duties as GF Alternate Board member, I continue as Member of the WHO MEOC (Malaria eradication oversight committee) since 2018, as well as a Roll Back malaria RBM Board member (2017-2022). In these groups, I have the responsibility of contributing with the individual and collective experiences of disease elimination from the LAC Region, while I keep reminding all parties about the need of protecting the countries achievements, particularly in UMICs and LMICs. Nowadays, with some countries in Latin America recording a resurgence in malaria cases and with the outbreak of COVID-19 Pandemic, a robust surveillance system and the continuous retraining of health workers, which enabled Argentina and Paraguay to maintain zero malaria cases, must continue to be prioritized in the long-term. On February 25th 2021, El Salvador was certified as malaria-free. Despite the challenges posed by COVID-19 pandemic, El Salvador became the first country in Central America to receive the certification by the World Health Organization (WHO) and the third country to have achieved malaria-free status in recent years in the WHO Region of the Americas, following Argentina in 2019 and Paraguay in 2018. China was the first country in the WHO Western Pacific Region to be certified malaria free in more than 30 years. In April 2021, WHO launched the E-2025 initiative to support 25 countries with the potential to halt malaria transmission by 2025.

On March 2020, Dr. Tedros Adhanom, the WHO Director-General appointed me as one of the six Special Envoys on COVID-19 (2020-2022), to provide strategic advice and high-level political advocacy and engagement in the LAC Region and to work in close collaboration with WHO Regional Directors and country offices to coordinate the global response to COVID-19. My main functions as Special Envoys on COVID-19 are to: i) Amplify the messages of the Director General; ii) Disseminate WHO guidance on COVID-19 readiness and response; iii) Partake in high-level advocacy and political engagement; iv) Provide strategic advice on preparedness, readiness and response to COVID - 19 outbreaks; v) Engage with regional bodies and national governments; and vi) Report regularly to the Director-General on my work and the situation in countries.

Guillermo A. Birmingham, LAC Constituency expert and Audit and Finance Committee (AFC) member (2018-2020), was appointed to the AFC for a second term (2020-2022). He also attended the 15th 16th & 17th AFC meetings held virtually, on March 22nd & 23rd, July 7th & 8th and October 7th & 8th, respectively. Relevant issues were addressed, and substantial contributions were made on OPEX Evolution 2020-2022 Budget Ceiling Revision and Corporate Workplan, OIG Operational Progress Report, Annual Report and Risk Assessment, Recoveries for the period ended 30 June 2021, Strategic Performance and KPI Framework, Update on Resource Mobilization and the Seventh Replenishment Action Plan.

Dereck Springer was appointed as chair of the ImG Strategy Development Group to contribute with his expertise in governance areas.

With reference to the LAC Constituency outreach efforts, I would like to mention the monthly LAC Newsletter, the Alternate Board Member six-month reports and regular meetings with LAC Regional Manager and country teams responsible for country and regional grants, to improve relationships between GF Secretariat and LAC countries.

I will continue my duties as Board Member, in collaboration with Hon. Dr. Nickolas Steele in his role as Alternate Board Member and with the LAC Constituency members.

The monthly newsletter in Spanish is being published and you can subscribe to it as well as visit the website www.lacfondomundial.org, and/or use communication channel through Facebook facebook.com/lacfondomundial.

Please do not hesitate to contact me for any enquiry or further information; I am opened to your guidance, proposals, suggestions for improvement and consultations through my personal e-mail rosesperiago@hotmail.com and at the institutional e-mail grupolafm@gmail.com.

I take this opportunity to wish you, your families and all your co-citizens a Prosperous, Happy and Healthy 2022 that bring us a global sense of solidarity.

Sincerely,



Dr. Mirta Roses Periago

Global Fund Board Member

Latin America and the Caribbean Representation