

BRIEF TO MINISTERS OF HEALTH 2023

LATIN AMERICA AND CARIBBEAN DELEGATION TO THE GLOBAL FUND BOARD

The Global Fund delivering extraordinary Impact saving lives and making a difference to communities around the world.

The Global Fund partnership continues to deliver extraordinary impact, saving lives and making a difference to communities around the world. Despite the setbacks from COVID-19 and other crises, and persistent shortfalls in funding, we are continuing to make progress against HIV, tuberculosis, and malaria, in strengthening health systems, and in pursuing the SDG3 goal of health and well-being for all. The Global Fund partnership has demonstrated exceptional resilience and agility in the face of COVID-19 pandemic and the cascade of crises that have followed. However, donors are signaling reduced resources for the Eight Replenishment schedule for last quarter in 2025, a time when several potentially competing replenishments will occur (GAVI, WHO, UNITAID among others).

According to the Executive Director, Peter Sands, cognizant of the challenges of climate change, conflict, and geopolitics; extreme volatility in the external environment; and the rapidly evolving array of risks, the Global Fund must continue to demonstrate the resilience and agility that has underpinned our success so far. He pointed out that our partnership must be willing to change to respond to these new challenges, but we must also protect the essence of the Global Fund model, including our focus on people and communities, on delivering outcomes, and on tackling inequities. He reminded us that we know this model works.

Co-financing

To reinforce the effectiveness of co-financing requirements, the Global Fund Secretariat (GFS) is introducing more rigorous and systematic approaches to setting requirements, monitoring adherence, and making and reporting decisions on waivers or corrective actions. While acknowledging that co-financing requirements will not on their own change the challenging realities of many implementer governments' fiscal constraints, nor will they override domestic political decisions, the GFS strongly believes that they provide a powerful tool with which the Global Fund can influence the scale and priorities of domestic health spending.

Classification of LAC countries

LAC countries are classified by the World Bank as Upper Middle Income, (hence could pay for their response), with low disease burden in the general population. However, the HIV burden is disproportionately higher among key populations of men who have sex with men (MSM) and transgender women. Thus, the Global Fund's focus on prioritising its funding to address these populations while being cognizant that national governments contribute the bulk of the resources responding to the three diseases as well as resilient systems for sustainable health (RSSH) activities.

LAC Delegation's priorities for 2024

- Re-establishment of contact with the LAC countries' diplomatic missions in Geneva.
- Revitalize and continue working with the LAC Steering Committee. This Committee was created to contribute to the consultation process related to the development of the Global Fund Strategy 2023-2028.
- Strengthen LAC Constituency position vis a vis the new priority areas of focus endorsed by the GF Board, namely RSSH and Climate and Health.
- Increase engagement with the Global Fund LAC Manager and LAC Fund Portfolio Managers, as well as sustain LAC Constituency fluid exchange, dialogue, and information sharing, through regular virtual and in-person meetings to strengthen knowledge of what is happening at country and regional level.

- Continue engagement with LAC Fund Portfolio Manager to help them to better understand LAC priorities especially in relation to RSSH.
- Intensify communication with Haiti Portfolio Manager through scheduling of quarterly conference calls.
- Improve relationships between the Global Fund Secretariat, the LAC representation to the Board and the beneficiary/implementing countries. The November 2023 meeting in Geneva with Mark Eddington, Head Grant Management Division; Annelise Hirschmann, Department Head of Asia, Europe and Latin America and the Caribbean (AELAC), and Giulia Perrone, Manager of LAC region, was considered a window of opportunity to strengthen collaboration to address crucial issues for the region.
- Define the role that PANCAP needs to play in collaboration with PAHO in relation to integration and civil society organisation's RSSH competence.
- Address a process of review of LAC Constituency composition: Latin America will conduct selection of members to integrate into the delegation. Haiti Country Coordination Mechanism has nominated Dr Gilbert Marie Hans LARSEN, President of the CCM, as a member of the LAC delegation.
- Improve LAC participation at Committee level as substantive member of the Strategy Committee and observers on the Ethics and Governance Committee and Audit and Finance Committee. Identify and nominate a candidate to serve on the Executive Director Selection Committee as the Board prepared to begin the search for a new ED.

Funding Cycle 7

Following the successful Seventh Replenishment in September 2022, Belize, Costa Rica, Dominican Republic, El Salvador, Guyana, Jamaica, Nicaragua, Suriname are preparing to submit funding requests under grant cycle 7 for Windows 4 and 5; as well as Guatemala, the OECS and PANCAP multi-country grants for Window 6 and Honduras for Window 7. Haiti's funding request has already been approved by the Board. However, the Global Fund Secretariat has concerns regarding the issues listed below following the 2022 programmatic and financial reviews:

- LAC has a low performance in absolute terms and comparison to other regions: 59 percent for HIV, TB and Malaria funds and 54 percent for COVID-19RM funds. However, the budget utilization (disbursement vs. budget) is high for LAC indicating overall timely disbursement.
- The top largest countries that contribute to the gap in the in-country absorption performance threshold (representing only 74 percent achievement) are El Salvador and Guatemala in Latin America; and Haiti, Guyana, Suriname, Belize, Jamaica and OECS in the Caribbean.
- Delays in grant deliverables negatively impact GFS' ability to disburse funds and collective capacity to follow up on performance trends.
- High management costs, particularly in challenging operating environment (COE) such as Haiti and Venezuela.

Implications for the region

If the 8th Replenishment is under target, LAC will be at risk of not receiving funding given most of our countries are classified as Upper Middle Income or High-Income countries. It is therefore crucial that countries address the implementation challenges that would enable them to accelerate spending of the resources available under the current grants and achieve results.

MINISTER OF HEALTH ARE INVITED TO:

- Urge national programmes in Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Nicaragua, Suriname and the OECS to identify and address the implementation challenges and implement the solutions to some of the bottlenecks agreed at the Global Fund Caribbean and Latin America Workshops held at the end of November 2023 in Brazil and Trinidad and Tobago respectively, to accelerate spending.

- Also urge national programmes in Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Nicaragua, Suriname to utilize the guidance provided by the Global Fund Secretariat to address co-financing commitments.
- Engage their diplomatic missions through Ministries of Foreign Affairs to advocate for continued funding for LAC.
- Brief their Ministers of Finance on the need to increase domestic investment and harness the resources of the private sector for health and wellness.