

August 14th, 2024.

Subject: Semesterly Progress Report of Key Activities and Responsibilities undertaken by the Board Member and the Alternate Board Member of the Latin America and the Caribbean Constituency (LAC) to the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)

Honorable Ministers and Secretaries of Health,

We are pleased to present this progress report on the key actions undertaken during our managerial responsibilities as the Board Member and the Alternate Board Member for the Latin American and Caribbean Constituency of the Global Fund Board.

LAC's participation and engagement in the 51st Board Meeting

The LAC Delegation participated in the **Fifty-first Meeting of the Board** held in Geneva, on April 22-24, 2024. The delegation comprised Mr. Dereck Springer, Board Member; Dr. Massimo Ghidinelli, Alternate Board Member; Dr. Gabriela de la Iglesia, LAC Communication Focal Point (Argentina); Dr. Wendy Telgt Emanuelson, Caribbean Communication Focal Point, PANCAP Director (Guyana); Ms. M. Joan Didier, Delegation Member, OECS RCM Representative (Saint Lucia); Dr. Hans Larsen, Delegation Member, CCM Chair (Haiti); Mr. Lucien Govaard, CariFLAGS Co- Chair, Youth Representative (Suriname); Mrs. Lidice Lopez Tocon, Delegation Member, "Corresponsales Clave" Representative (Peru).

LAC Delegation stated its position clearly on main issues addressed during the Board Meeting.

Quality Assurance Policy for Vector Control Products and Related Equipment

LAC supported the decision point on Quality Assurance Policy for Vector Control Products and Related Equipment, which included a recommendation for the establishment of an Expert Review Panel alongside WHO.

LAC highlighted concerns raised by growing insecticide resistance challenging the overall effectiveness of Malaria Programmes. In this regard, LAC constituency suggested the Board to discuss the following question: How can we better estimate the needs based on timely reliable data related to insecticide resistance and prevent stock outs vis-a-vis the risk of not using the product? LAC contended that safe disposal of waste, considered as a priority in view of environmental concerns, is fully aligned with PAHO/WHO One Health Approach.

Procurement Policy Update

LAC concurred with the Audit and Finance Committee (AFC) on the need to update this policy given its critical importance in addressing resistance, biological threats, evolution of the three diseases, new tools and the creation of markets and systems for procuring products at affordable prices for impact. LAC also encouraged the Board to consider the AFC's recommendation that emphasized the importance of sustainable procurement beyond the life of the Global Fund. According to the proposed next step which is aimed at doubling down on sustainability through the enhancement of PPM/WAMBO, LAC concurred with the following: explore pre-financing mechanisms, incentivize countries to leverage PPM/WAMBO and where existing, use alternative procurement mechanisms to achieve

lowest costs of quality assured health products, continue to promote regional capacity building through collaborative procurement approaches with partners. In addition to the PAHO Strategic Fund, which was acknowledged in the Secretariat documents, LAC also highlighted the OECS Pooled Procurement Services, a regional agency serving nine member states, as an excellent example of how countries are improving the efficiency and effectiveness of purchasing goods and services in large quantities and at a reduced cost to them.

Furthermore, as part of the broader regional capacity building approach which considers lessons learned from stock outs and other impacts experienced during the COVID-19 Pandemic, LAC requested the Global Fund to consider best practice experiences of countries like Brazil, no longer recipient of GF's assistance, and producing pharmaceutical products, through domestic public-private enterprises like Fiocruz/Framanguinhos.

2023 Annual Financial Report and External audit results

Cognizant of the remaining challenges to monitor third-party fund managed under the blended financing agreements, LAC concurred with the External Auditor on the need for extended oversight on World Bank activities, with additional controls performed by the Secretariat on evaluation of the Trust Fund assets. This recommendation is fully aligned with the proposed next step to double down on sustainability through the enhancement of data transparency, while emphasizing the need to “continue to work with governments and partners to enhance and expand public financial management capacity. A series of sessions on public financial management towards One Plan, One Budget, One Report, as articulated in the Lusaka Agenda, will be launched to ensure shared understanding of issues and commitment from countries and partners needed for progress”.

Allocation Methodology

LAC appreciated the opportunity to be involved in this early stage of the discussion to review and update policies towards resource allocation and effective use.

LAC acknowledged the relevance of the Theory of Change and the “levers” identified in the Global Fund's model that can be used and adapted to drive and shape investments and progress in key areas of the Strategy, building sustainability through interaction and synergy among those major GF policy levers.

On the Global Disease Split (GDS), LAC concurred with the evaluation's recommendation to revise GDS in favor of TB to better align with the epidemiological context. In this regard, LAC has been advocating for the increase of financial allocations for TB since the last Allocation Update in 2021, considering the significantly low level of external resources currently invested in TB in the LAC Region. However, given that all three diseases are off-track in meeting the SDGs globally and regionally, LAC believed that the GF must balance protecting malaria and HIV programs, while allocating additional resources towards TB.

As already stated, the allocation methodology should be reviewed in a holistic way, supported by modelling and through robust in-depth discussions. LAC believed that the update should reflect a combination of adjustments, including in catalytic funds, strategic initiatives, multi-country grants, portfolio optimization, and unfunded quality demand to address specific high value for money investments in reducing TB and TB/HIV incidence and mortality, ideally without impacting negatively on HIV and Malaria.

Cognizant that Grant Cycle 7 (GC7) investments in LAC represent just around 3.5% of the total resources of the GF, LAC constituency highlighted the following questions to orient

the Board Meeting's discussion: what would be the estimated impact of decreasing investment in UMICs, specifically in terms of savings? In view of reduced allocations to UMICs, are we considering the potential loss of GF Secretariat influence in those settings and the consequent impact on programming, especially for key and vulnerable populations (KVP)? Have the potential negative effects of a disease rebound consequent to a premature GF transition, particularly for the most affected and vulnerable populations been thoroughly assessed?

Furthermore, LAC acknowledged the Secretariat's monumental efforts to protect Catalytic Investments (CIs), while emphasizing that the actual allocation of funding for CIs will be determined by the replenishment outcomes. Given the potential constraints in resources, conscious that there is no specific recommendation on a percentage to be allocated for CIs, and to sharpen the process for determining catalytic investments, LAC constituency suggested that the GFS may identify a "percentage range" with a minimum desired level and a maximum optimal level to be allocated for CIs. In support of this strategic approach, LAC recalled how our Region, which had a small amount of funding allocated for Strategic Initiatives (SIs) and multi-country grants (MCG), was able to drive innovation and attain significant achievements on disease elimination including beyond eligible countries as an advancement of all member states in the Region of Americas. Muticountry Grants have demonstrated added value in addressing cross border issues that are usually underinvested in country specific approaches, and in strengthening the response with a tailored approach targeted at those most affected by the three diseases. LAC leveraged the lessons learned from partnership initiatives at country and regional level, and technical assistance has been one of the main intervention modalities in the implementation of strategic initiatives. Notably, PAHO led the technical support with the full endorsement of the partnership management arrangements between PAHO and the GF. Strategic initiatives investments enabled countries to remarkably advance in several domains, including in "Data management", "Integrated laboratories", "Self-testing on HIV", "Health System financing" and "Supply Chain Management and Procurement as well as Quantification". Finally, LAC emphasized how some MCGs and SIs extended public health benefits beyond the three diseases, such as in the case of integrated and TB Laboratories that allowed countries to operate multi-disease diagnostic platforms during the pandemic, including for COVID-19.

Sustainability

LAC Constituency shared some reflections from recent regional gatherings and partners' commitment to unpack some of the issues related to the changes that are needed to deliver sustainable outcomes at the time when transition readiness is assessed:

Ongoing sustainability efforts: In LAC, several partners are committed to work on sustainability as a core regional priority, however these joint efforts are still in their early stages and would require careful assessment, i.e.: PEPFAR's/UNAIDS/PAHO/WHO joint sustainability initiative that will utilise a top down and bottom-up approach. The GF's premature transition caused a rebound in disease burden in several countries that were not ready to sustain their responses. Such transition was done without clear and solid decreasing trends in incidence and mortality for both HIV and TB in the current epidemiological scenarios. Therefore, LAC welcomed the Global Fund's engagement in these regional discussions, as well as in the evolving PEPFAR/UNAIDS/PAHO/WHO sustainability initiative.

Policy levers status: In LAC context, policy matters are identified as a core bottleneck. Therefore, there is a critical need for countries to create a policy environment enabling prevention particularly for KVPs and more broadly for addressing human rights issues.

However, policy and legislative advances alone would not be enough. Countries must commit to translating such steps into positive societal changes to correct stigmatising attitudes and corresponding discrimination toward KVPs.

Technical leadership in the national response: LAC highlighted the critical need for technical leadership in the national response. Therefore, it is crucial that capacity be built to engender strong technical leadership at the country level for the effective coordination of the multisectoral response, and for engaging and influencing the political level to fulfil their commitments to sustaining the response to the three diseases.

Global Fund Model as key driver of change: LAC Region has relatively strong health care systems, with health services, particularly at the second and third levels led by high quality specialists, as well as very highly specialized HIV clinics, and this situation may constrain a more widespread public health response at primary care level. Additionally, there is resistance to changing the current model of care based on policies, norms that reflect centralized perspectives; for example, rapid tests are still being done mostly in labs and by specialized lab personnel, and less so at community level. The Global Fund's contribution strategically supports a significant expansion of community led interventions through social contracting initiatives that aim at great impact. Governments are being slow in allocating resources for social contracting, and this is why the GF operations are critical for the sustainability of these services delivered by KP and CSOs.

Migration: LAC region is already one of the areas in the world hardest hit by migration. Internal conflicts are increasing and climate change threats to the environment are extremely severe. The combination of the high mobility of populations in situations of vulnerability and their concentrated burden of diseases set the stage for a risk of accelerated spread of diseases (and resistance) throughout the region. In this regard, the potential availability of or the possibility to obtain additional funding directed to this area should be thoroughly considered through MCGs and SIs. The potential for disease spread throughout the region warrants serious consideration for increasing resources for MCGs.

The Global Fund engagement with the Lusaka Agenda

LAC Constituency acknowledged the GF Secretariat efforts to identify opportunities to operate in synergy with Gavi and Global Financing Facility (GFF) and share common goals and objectives, including the Boards' conversations recently held on matters related to the deployment of new malaria vaccines. LAC appreciated Global Fund's Strategy Committee, Ethic and Governance Committee (EGC) and Audit and Finance Committee (AFC) reports, as well as agreed with several Board members recommendation to not start a new review of the Health Policy Agenda, in view of available previous reports and analysis. LAC concurred with the Strategy Committee (SC) on the need to further discuss some aspects within the context of the Global Fund Strategy and welcomed upcoming opportunities to do so across various governance engagements this year. LAC also noted with concern the lack of participation of civil society and communities in the development of the Lusaka Agenda; as set forth in the GF governance principles, adherence to the inclusive and representative nature of the Global Fund's multi-stakeholder Board should be maintained. In order to preserve country ownership, LAC agreed with the SC to preserve a bottom-up approach and engage countries to solicit their interest in becoming a Pathfinder country. Finally, LAC welcomed the Working Group establishment to unpack the complex Lusaka Agenda and thanked the GF Secretariat for the additional information and documents provided to complement the analysis of the proposal.

Strategic performance Report– Human rights and Gender

LAC highlighted the recent ruling of the Dominica High Court which decriminalised consensual same-sex relationships in a historic judgment on April 22, 2024. LAC noted that Dominica becomes the fourth Eastern Caribbean country to strike down discriminatory legal provisions and decriminalize same sex relations, following Antigua and Barbuda, Saint Kitts and Nevis, and Barbados. With this ruling, up to six Caribbean countries have moved in this direction – Belize did it in 2014 and Trinidad and Tobago in 2018. LAC observed that although these ruling advance human rights, these achievements must now be translated into attitude and behaviour changes to enable members of the LBGTQ communities in these countries to come forward and access lifesaving services in a non-discriminatory environment.

Key Decision Points

The Board most relevant decisions which were unanimously approved were: i) Quality Assurance Policy for Vector Control Products; ii) Global Fund Procurement Policy Update; iii) 2023 Annual Financial Report; and iv) 2023 Statutory Financial Statements.

LAC Leadership Engagement at Board Level

Mr. Dereck Springer, Board Member; Dr. Massimo Ghidinelli, Alternate Board Member; participated in both Board Retreats held in Geneva on April 20th - 21st and July 8th-9th, 2024. During the retreats, Board members held in-depth discussions, revisited replenishment scenarios and analyzed in greater depth how the identified levers could be pulled in response to those scenarios, their impact and consequences. The ultimate objective of the retreats was to achieve broad alignment towards the core components of an “all weather” action plan to be adopted in November 2024 to guide the Secretariat into the 8th Replenishment and continue to deliver sustainable impact, protect the gains, progress towards ending HTM and the SDG3.

Implementer Group Engagement

Key issues discussed

Prior to the Board meeting and as part of Implementers Engagement, the **Implementers Group (ImG) held a preparatory meeting** in Geneva, on April 19th, 2024. The meeting was co-chaired by Dr. Miso PejkoVIC, ImG Chair, and Ms. Yolanda Paul, Vice chair. The IMG also reviewed key issues and agreed on common positions particularly about Sustainability, Allocation Methodology, Replenishment and Advocacy Road Map; and other critical agenda items of shared interest. LAC Delegation decided to intensify the working relationships with the Implementers Group Constituencies, including holding joint webinars and participation in suitable events.

LAC Constituency Engagement

LAC Steering Committee Meeting

Following the LAC Delegation agreement on the need to formalize the establishment and revitalize the role of the LAC Steering Committee to provide regular inputs and contributions from a range of GF issues, particularly at country and regional level, the first LAC Steering Committee Meeting was held on March 27th, 2024. The meeting included the participation of the LAC Delegation, PANCAP/CARICOM, ORAS and Se-COMISCA as well as relevant experts from UNAIDS and PAHO/WHO. The main objective of the meeting was to share an overview of the main issues discussed during the 24th Strategy Committee Meeting, and in

particular the overarching challenges and questions raised by the Committee, including: Sustainability, Allocation Methodology, Evaluation and the Global Fund's collaboration with Global Health Initiatives, including the Lusaka Agenda and the GAVI Alliance. Members were invited to respond and provide inputs and suggestions based on experiences and data available at country and/or regional level. This meeting provided useful feedback to inform LAC Delegation in preparation for the April 2024 Board Meeting, improve the interface between regions and the GF and define the approach in preparation for Committee meetings in July 2024.

LAC Preparatory Meeting

Prior to the Board meeting, **LAC** convened a **virtual meeting** on April 10th, for LAC Delegation Members. During the meeting, the priority issues for LAC delegation at the 51st Board Meeting were reviewed. The role of LAC delegation members during the 51st Board Meeting was reviewed and agreed upon.

Furthermore, **LAC** convened a **preparatory meeting** with the participation of LAC Delegation members on April 21st. The meeting aimed to review outcomes of the LAC Delegation Members' engagement with donor and implementer delegations on priority issues for the 51st BM; refined the LAC Constituency Positions, through the LAC Delegation feedback on Allocation Methodology, Sustainability and Board Governance structure and representation; and reviewed the LAC Delegation working modality and division of labour, identified opportunities to improve engagement of LAC Delegation between Board Meetings, such as virtual sessions, LAC virtual Steering Committee meetings, participation in relevant regional events, Standing Committee Observers' review and identification, division of labour among delegation members, as well as increasing effective communication and consultation within the Constituency, use of consultation tools, that is: surveys, focus group virtual meetings and webinars.

LAC Delegation also convened a **meeting** on priority issues **with the LAC Manager**, Ms. Giulia Perrone on April 22nd, 2024.

LAC engagement with the Member States of the United Nations Diplomatic Mission in Geneva

LAC convened a **meeting with the Diplomatic Missions to the UN of LAC Member States in Geneva** on April 19th, 2024. The aim of the meeting was to update on Latin America and the Caribbean (LAC) representation, its structure and composition, as well as to review previous engagement with the Diplomatic Missions in Geneva. Furthermore, main issues related to the GF Business Model and LAC Region investments were addressed in response to the following questions: What does the GF investment represent for the LAC Region? What is the weight of GF investment on LAC Region economics? How can the GF investments leverage domestic investments in the response to three diseases and RSSH? Overarching challenges and questions in relation to: Next GF Replenishment perspective vis-a-vis potential investments in LAC Region, Allocation Methodology, Eligibility; Sustainability and Transition. Members of the Diplomatic Missions were invited to provide suggestions to formalize and maintain this open dialogue.

Post 51st Global Fund Board Meeting Debrief Webinar

On June 4th, 2024, as part of intensified engagement with the Implementers Constituency, LAC Constituency co-chaired a Debrief Webinar with the Communities Delegation and the Developing Country NGO Delegation to the GF Board, with the support of the LAC Platform

Learning Hub. The key thematic areas for discussion were Sustainability of HIV, TB and Malaria Responses in the context of LAC, Collaborative approaches and the upcoming Global Fund Replenishment.

On June 25th, 2024, as part of LAC Constituency Engagement, LAC Steering Committee convened a meeting to receive an update from Ricardo Castaneda - UNAIDS RST LAC, about the progress on the implementation of the UNAIDS HIV Response Sustainability Framework. Furthermore, Dr. Massimo Ghidinelli, ABM, shared some reflections on "Global Fund and Sustainability of HIV, TB and Malaria responses in the context of LAC", following the Post Global Fund Debrief Webinar.

In addition, Dr. Massimo Ghidinelli updated Andean Subregion National Authorities in a debrief webinar held on June 27th, 2024. The meeting was chaired by Dr. María del Carmen Calle – ORAS CONHU, Executive Secretary.

LAC Representation on the Strategy Committee

Beyond his duties as Alternate Board member, Dr. Massimo Ghidinelli, LAC Constituency expert and Former Unit Chief HIV/STI, TB and Viral Hepatitis – PAHO and Former Director, CDE PAHO Washington, was appointed to the Strategy Committee for the period May 2022-2025. He attended the 24th SC in-person meeting on March 14th - 15th and the 25th meeting in-person meeting on July 10th. Relevant issues were addressed, and Dr. Ghidinelli made substantial contributions to the discussion on the Vector Control Policy, Sustainability, Allocation Methodology, and other critical agenda items.

LAC Board Member Engagement

The Board Member, Mr. Dereck Springer, met with the Dr the Honourable Frank Anthony, Minister of Health, Guyana who was recently elected First Vice President of the World Health Assembly (WHA) to update him on recent developments at the Global Fund Board and to receive updates from Dr. Anthony on his engagement with representatives of the Global Fund Secretariat and other partners during his participation at the WHA. He also met and briefed His Excellency, Dr Leslie Ramsammy, Guyana recently appointed Ambassador to Switzerland and Permanent Representative to the United Nations in Geneva to update him on Global Fund matters and to enlist his support for increased advocacy with representatives of donor countries in Geneva for a successful Eight Replenishment scheduled for September/October 2025. Dr. Ramsammy committed to advocate with donors and engage with members of the diplomatic missions and UN partners and the Global Fund Secretariat in Geneva and to strengthening engagement with the LAC constituency. Dr. Ramsammy previously served as Board Member for LAC.

Constituency Outreach

With reference to the LAC Constituency outreach efforts, we would like to highlight the monthly LAC Newsletter, the 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.

The monthly newsletter is being published in Spanish and can be subscribed to; it also available at the website www.lacfondomundial.org. There are additional communication channels through Facebook facebook.com/lacfondomundial and Twitter [@FondoLac](https://twitter.com/FondoLac). PANCAP continues publishing its English newsletter and utilizing its websites and social media platform and webinars to engage, inform and update the Caribbean sub region.

Recognition and appreciation

We 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 which significantly enhances Latin America's representation within the constituency, the Board and the committees.

The Caribbean subgroup continues to be supported through the CARICOM/PANCAP platform. CARICOM/PANCAP is the administrator of the constituency funds that supports LAC's operations, while extending the administrative support to the Latin America representative, especially with regards to the operation and maintenance of the communication platform in Spanish. This is critical to ensure a continuous flow of information within the Constituency and with other stakeholders in the Latin America sub-region. Funding also supports the provision of 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.

Please do not hesitate to contact us for any enquiry or further information; we are opened to your guidance, proposals, suggestions for improvement and consultations through the institutional e-mail grupolafm@gmail.com.

Sincerely,



Mr. Dereck Springer
Board Member
Latin American and Caribbean Representation to the
Global Fund Board



Dr. Massimo Ghidinelli
Alternate Board Member
Latin American and Caribbean Representation to the
Global Fund Board