

January 24, 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 Ministries 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 50th Board Meeting

The LAC Delegation participated in the **Fiftieth Meeting of the Board** held in Geneva, on November 14-16, 2023, and was composed by 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. Lourdes Kusunoki, Delegation Member, Coordinator of the "TB Laboratory Diagnostic Strengthening for the Americas Region", PR - ORAS/CONHU (Peru); Mr. Lucien Govaard, CariFLAGS Co-Chair, Youth Representative (Suriname) also attended.

LAC Delegation commended the staff of the Global Fund Secretariat (GFS) for their untiring work and commitment to advancing the post COVID-pandemic recovery, and the Executive Director (ED) for his leadership, with support and guidance from the Board, partners and implementers. LAC urged the ED to continue to prioritize employee health and wellbeing given its critical importance for maintaining the effectiveness of the GFS.

Impact of Climate Change on Health and Geographic Regions

LAC Constituency commended the GFATM Secretariat for the comprehensive analysis of the impact of Climate Change on Health as well as the geographic overlaps with the GFATM financed programmes.

LAC expressed that climate change poses the greatest existential threat to the GFATM's mission to end malaria and build resilient and sustainable systems for health, as well as its potential to significantly complicate the response to HIV and TB and our efforts to support financing of programmes and activities geared towards the achievement of SDG3 targets.

LAC also recognized that climate change is exacerbating existing social and economic vulnerabilities, including among key, vulnerable and underserved populations affected by HIV, TB and malaria (HTM), with the most significant impacts affecting Africa, Asia and parts of LAC. Furthermore, LAC reminded the Board that the Region of the Americas was severely affected by the COVID-19 pandemic; while emphasizing that the LAC countries receiving assistance from the Global Fund are considered among the most

vulnerable to the impacts of climate change according to the analysis of the Global Fund Secretariat, estimates show that over 3.3 billion people are highly vulnerable in communities in Africa, Asia, Latin America and the Caribbean, least developed countries (LDCs), Small Islands and low-income households; and the climate-induced migration could affect 86 million people in Africa, 89 million in Asia and more than 17 million in LAC by 2050.

Additionally, LAC shared advances in the disease elimination agenda despite the severe impact of the COVID-19 and its vulnerability to climate change. The Region of the Americas has a successful record in EMTCT, as several countries were certified by WHO for the EMTCT of HIV and syphilis (Cuba in 2015 and, in 2017, Anguilla, Antigua and Barbuda, Bermuda, Cayman Islands, Montserrat, and St. Kitts and Nevis, and Dominica in 2021, and Belize will soon follow). LAC also continues its progress towards Malaria elimination (Paraguay in 2018, Argentina in 2019, El Salvador in 2021, and Belize in 2023). However, LAC Constituency shared significant concerns about the three concomitant factors threatening the public health response to Malaria, such as vector favourable environments consequent to climate change, the emergence of resistance against currently available drugs, and the emergence of insecticide resistance to several classes of agents. Therefore, LAC highlighted the need for counterbalancing imminent graduation of several recipient countries setbacks occurred in the elimination agenda. LAC Constituency concurred with the proposed use of countries' financial support to address and respond to climate change and resulting health needs, particularly through the continuity of grant flexibilities and the Emergency Fund as the first line of support to better prepare for and respond to climate change induced disasters; and the possibility to embed climate considerations into malaria grants and efforts to build resilience and sustainable systems for health (RSSH), as well as in HIV and TB programmes. In this regard, LAC Constituency assured that it is fully aligned with the proposed option of utilizing grant and catalytic funding to support country investments in climate and health priorities since Multi-Country and Regional Projects have demonstrated their added value. LAC also invited the GFATM to consider the inclusion of additional countries not prioritized within the RSSH pilot initiative.

Amendment to the Risk Appetite Statements (Malaria Program Risk)

LAC noted that the Malaria Program Quality risk level is likely to remain Very High through 2024 and 2025. LAC concurred with the Strategy Committee's concern about the significant funding gap for malaria; there are additional concerns that despite active management of programmatic prioritization at the country level, programme results may not be achieved. LAC also encouraged the Board to consider the Audit and Finance Committee's recommendation to address malaria as part of the Global Fund's core mission, while acknowledging the importance of RSSH and pandemic preparedness and response (PPR) as supportive to this end.

Updated Global Fund Approach to Blended Financing

LAC supported the Updated Approach to Blended Finance which will be more rigorous and efficacious considering the improvements made across the five core elements that contribute to the development, review, approval, and implementation of these transactions.

Given the fundamentally different nature of these investments, LAC acknowledged that there are residual risks for the GFATM to assume when undertaking blended finance transactions, such as the limited contractual rights to influence or modify approaches used by partners as well as differences in assurance approaches between partners and the GF Audit and investigation processes. However, LAC welcomed the blended finance transactions to complement traditional GFATM grants especially having considered the current financial constraints at global level, since blended finance transactions established with governmental and NGOs would contribute to sustainability, transition and co-financing.

Global Fund Quality Assurance Policy Updates

LAC Constituency welcomed the proposed amendment and update of the GFATM Quality Assurance Policy as that would enable the Global Fund Secretariat to better support increased access to quality assured health products and enhance the delivery of Global Fund's 2023 – 2028 Strategy.

2024 Corporate Work Plan and Operating Expenses Budget

LAC Constituency noted with concern the issues identified in relation to Human Resources & Workforce. The Secretariat highlighted that if funds will not be maintained at current levels in future replenishments, the existing workforce could not be sustained, and therefore contract renewals would be reassessed accordingly. The Secretariat also recognized that many teams are already stretched and under pressure given concurring priority commitments, including implementation of Grant Cycle (GC) 7, accelerating implementation of GC 6 grants and the COVID-19 Response Mechanism reinvestment shift. Accordingly, LAC agreed to urgently consider increasing the Operating Expenses budget (OPEX) to address the human resource needs of the Secretariat.

Country Coordination Mechanism Evolution

LAC acknowledged Country Coordinating Mechanisms (CCMs) Working Group of the Strategy Committee for the information provided through the CCM Evolution assessment. LAC recommended that CCM Evolution activities be continued and completed in 2024/2025 and that CCMs receive the support necessary to implement priority actions to address the needs identified through the review, that include supporting health systems strengthening (HSS) and Climate Change and Health priorities as well as matters of representation within the CCM composition. LAC Delegation offered the GFS to share the results of the survey on CCM positioning rolled out in September 2023 to further document the situation and share the views of the LAC Constituency. CCM Chairs and Vice Chairs across LAC countries were approached and requested to respond to a questionnaire and submitted by the LAC Communication Focal Point. Responses were provided by 14 countries including: Antigua and Barbuda, Belize, Guyana, Jamaica, Dominican Republic, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru. The survey addressed questions related to the composition and the capacity to retain oversight and coordination functions following transition in LAC.

Key Decision Points

The Board most relevant decisions which were unanimously approved: i) Amendments to the Risk Appetite Statements (Malaria Program Risk); ii) Updated Global Fund Approach to Blended Financing; iii) 2024 Corporate Work Plan and Operating Expenses Budget; and iv) Quality Assurance Policies.

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 November 12, 2023. 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 the Climate Change and impact on response to Malaria; the possibility to expand OPEX to address the impact on GFS Staff health and wellness; the countries with humanitarian Crises and the Impact on Catalytic Funding; the Board Structure and proposals for change; and other critical agenda items of shared interest.

Joint Implementer Statement

Following consensus, the Implementer Group leadership issued a Joint Statement, on behalf of five Constituencies, including Eastern Mediterranean Region (EMRO), Eastern Europe Central Asia (EECA), Eastern and Southern Africa (ESA), Western and Central Africa (WCA) and LAC. These constituencies expressed their concerns about the Partnership's response to the current escalating humanitarian crises and urged the Board to consider receiving real time updates on the GFS' response to the emerging and escalating humanitarian crises. The Global Fund Secretariat was requested to provide the Board with information on the status of grant flexibilities within the ongoing grants in affected countries and ensure meaningful inclusion of civil society organisations (CSOs) and communities within humanitarian crises responses.

Implementers Group Retreat (IMG)

On October 5-7, 2023, as part of Implementers Engagement, the **IMG held a Retreat** in Montenegro. The LAC Delegation was headed by Dr. Alejandra Acuña, BM (end term October 31st), and included Dr. Gabriela de la Iglesia, LAC Communication Focal Point, and Mr. Lucien Govaard, LAC Delegation member. In advance of the meeting, the IMG Way of Working Document was circulated for its review, and LAC provided inputs to this document. During the IMG retreat, LAC Delegation stressed that there is a need to focus the document on the following priority areas: 1) Purpose; 2) IMG Leadership Selection Process, Tenure, Roles and Responsibilities; 3) Internal IMG procedures – Proceeding of the meetings, IMG Travel Policy. In addition, LAC Delegation was requested to chair a session on Human Rights, Stigma and Discrimination. In this regard, LAC Delegation shared a presentation summarizing Human Rights, Stigma and Discrimination - Status at a glance - Laws and evidence-based situation analysis; mainly focused on the achievements of the Programme Justice for All launched by PANCAP in collaboration with CSOs and Human Rights Defenders in 2014; as well as the PLHIV Stigma Index 2.0 results in Bolivia, Ecuador, Nicaragua, Paraguay, Peru and Jamaica; and the transgender women, gay men, sex workers and drug user related Stigma and Discrimination in Bolivia, El Salvador, Honduras and Paraguay. The session was well received; especially the GFS colleagues and participants were interested in understanding the in-country context and dynamic in the process of Laws and Regulations drafting and crafting, as well as the challenges posed by different settings to obtain their approval.

LAC Constituency Engagement

LAC Preparatory Meeting

Prior to the Board meeting, **LAC** convened a **handover virtual meeting** on October 30th, for LAC Delegation Members. During the meeting, Dr. Alejandra Acuna Navarro (Outgoing BM) shared her thoughts on her tenure as Board Member and proceeded with the handover to the new LAC Board Leadership, Mr. Dereck Springer (BM) and Dr. Massimo Ghidinelli (ABM). In addition, the priority issues for LAC delegation at the 50th Board Meeting were reviewed.

Furthermore, **LAC** convened a **preparatory meeting** on November 13, in Geneva, to prepare the delegation for the meeting with the LAC Manager, Ms. Giulia Perrone, and with the LAC Fund Portfolio Managers on priority issues. The role of LAC delegation members during the 50th Board Meeting was reviewed and agreed.

LAC Virtual Forum

On September 12th, 2023, as part of LAC Constituency Engagement, **LAC** convened a **virtual Forum** with the participation of LAC Delegation Members, as well as representatives from the Global Fund Secretariat, ORAS/CONHU, PAHO/WHO and UNAIDS. During the forum, the participants held in-depth discussions on the following items: i) Update LAC Regional perspectives: current and future allocations and disbursements, particularly according to Catalytic Investments (CI) operational modality; ii) Review and update the lessons learned and outcomes of Multi-country Grants (MCG) financed by the Global Fund, such as TB Laboratory Strengthening, in view of the final report; and iii) Identify priority issues to be addressed in the October Committee Meetings. This forum provided useful feedback to inform LAC Delegation conversation, improve the interface between regions and the GF and define the approach in preparation for next Committees and Board meetings.

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 21st SC in-person meeting on March 13th - 14th, the 22nd meeting virtually on July 10th-11th and the 23rd in-person meeting on October 9th-10th-11th. Relevant issues were addressed, and Dr. Ghidinelli made substantial contributions to the discussion on the Catalytic Investment; Independent Evaluation Function; Thematic discussion on Human Rights; Pandemic Fund; Strategic Performance Report and Adjustments to 2023-2028 Key Performance Indicators (KPI) Framework, Climate and Health, Malaria Update including recommendation on timeframe for malaria program quality risk appetite, and other critical agenda items.

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 resumed its English newsletter in September.

Launch of Nomination Process for New LAC Leadership

As already reported, the nomination process for the LAC Representation for the period 2023-2025 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, subsequently amended in the Parallel session held at PAHO Directing Council, in Washington D.C., September, 2015. These Terms of Reference entered into force following the endorsement of the Health Ministers of the Latin America and Caribbean region. According to the agreed rotation, over the coming cycle the Board Member will be from the Caribbean Sub-region and the Alternate from Latin America Sub-region.

The call for Board Member was issued by PANCAP on June 23, 2023, with a deadline of August 18th for submission of nomination. The call for Alternate Board member was issued with a deadline on July 31st for Latin America. An Alternate Board Member Nomination Committee (ABMNC) was established to review candidacies following specific selection criteria, including: 1) Demonstrated experience in chairing/leading decision-making process in GF governance bodies (CCMs/RCMs, project management and assessment, Board delegate, Board Member and/or Committee Member); 2) Demonstrated knowledge and experience of working with the three diseases (HIV/AIDS, Malaria and Tuberculosis) in the health area and/or development and financing at regional level; 3) Language: English advanced level (additional languages relevant for the Region are considered an advantage) 4) Demonstrated experience and leading capacity with diverse stakeholders from public and private sectors, including United Nations agencies, governments, bilateral donors, civil society, NGOs, and people affected by three diseases (HIV/AIDS, Malaria and Tuberculosis); 5) Demonstrated experience being representative at Regional level in partnership, governmental organizations, public health institutions; with facilitator and consultative approach (politic and strategy diplomatic abilities) as well as capacities to establish contacts broadly and effectively.

The Committee for selection of the Alternate Board Member was integrated by well-recognized experts in the LAC Region with extensive experience on Global Fund related issues, as follows:

- Dr. Rosmond Adams, Advisor, Health Systems and Services PAHO/WHO Office (Suriname), Former PANCAP Director and Former Communication Focal Point for the Caribbean, LAC Representation.
- Dr. Lourdes Kusunoki Fuero, Program Coordinator “Strengthening TB laboratory diagnostic in the Region of Americas” regional grant of the Global Fund, ORAS/CONHU (Peru) and LAC Delegation member.
- Mrs. Erika Castellanos, Executive Director, Global Action for Trans Equality Civil Society Leader, Communities Delegation Member and Former Communities Delegation Member for the GF Board.

The ABMNC recommended Dr. Massimo Ghidinelli and submitted officially to the Latin America Ministers of Health, requesting no-objection with a deadline on September 14, 2023; as established common practice. No response is deemed to be an approval. His nomination was presented by Dr. Carla Vizzotti, Minister of Health of Argentina at that time.

The Council of Human and Social Development (COHSOD), Ministers of Health, endorsed Mr. Dereck Springer as the Board Member. His nomination was presented by Dr. the Honourable Frank Anthony, Minister of Health, Guyana.

The new LAC Delegation Composition for the period November 2023 and October 2025 will be announced prior to the next Board Meeting in April 2024.

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.

We take this opportunity to wish you, your families and all your co-citizens a Prosperous, Happy and Healthy 2024.

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