



Independent observer  
of the Global Fund

## Mobilizing scarce resources for health ? the Global Fund rolls up its sleeves

In order for the Global Fund's primary vision of ending the three diseases to be achieved, the Global Fund's proposed (draft) Strategy emphasizes 'four mutually reinforcing contributory objectives that explicitly leverage the core strengths and comparative advantages of (the Global Fund's) unique partnership'. These are:

1. Maximizing People-centred Integrated Systems for Health to Deliver Impact, Resilience and Sustainability.
2. Maximizing the Engagement and Leadership of Most Affected Communities to Leave No One Behind.
3. Maximizing Health Equity, Gender Equality and Human Rights.
4. Mobilizing Increased Resources.

This last objective actually underpins the first three and as such is a cross-cutting objective. While this is not a new objective (it is also the fourth objective under the current Strategy), the Global Fund is clearly aware that much needs to be done to mobilize more resources and COVID-19 has made the task of fundraising that much harder. As a result, an internal reorganization earlier this year resulted in the creation of a new Health Financing Department (HFD). As the Global Fund works towards the endorsement of a new Strategy and the Seventh Replenishment to take place in 2022, all eyes will be on the new Department and the very visible role it will play to support the Replenishment as well as increase domestic financing for health.

The need for a customized Health Finance Department

The pandemic has triggered an unprecedented global financial crisis which has disproportionately affected the poorest countries and populations. A recent [World Bank report](#) predicts that government spending per person in 52 low-income countries (LICs) and lower middle-income countries (LMICs) will remain below pre-COVID-19 levels until 2027. This will have a strong impact on these countries' ability to spend on health. Additional analyses in that report demonstrate that the expected government health spending growth in LICs and LMICs will fall far short of the spending needs to end the pandemic and prevent future ones. For example, without any changes in the share of government spending flowing to health, the expected net growth in health spending during 2021 and 2022 will amount on average to only 28.4% of the countries' cost share of a COVID-19 vaccine roll out in LICs and 42.7% in LMICs. Likewise, the expected growth in government health spending in 2026 will cover only 63.5% of the necessary annual investment to strengthen and maintain public-health preparedness and response capabilities in LICs and 61.3% in LMICs.

Cash-strapped countries will be forced into difficult choices in health investment. Funding response and preparedness priorities at the cost of other essential health services would pose grave risks for a full, sustained health and economic recovery from COVID-19. The need for the Global Fund to mobilize more finance and to advocate for increased government spending on health is therefore evident: with increased pressure to invest in vaccination campaigns and pandemic preparedness, it raises big challenges for financing the things that matter to HIV, tuberculosis (TB) and malaria programs.

The aims of the HFD

“COVID-19 has created a dire outlook for health finance,” says Kalipso Chalkidou, Head of the Health Finance Department. “It is tragic. It is hard to comprehend. But we must use it as an opportunity to push hard and think about the future.”

It is against this backdrop that Kalipso Chalkidou and her team have been working to shape the new HFD. It is not a new task – significant efforts have been made since the Global Fund's creation to mobilize additional resources for health and HIV, TB and malaria, strengthen overall sustainability, and support countries to prepare for transition from external financing. But in the context of COVID-19, domestic financing will play an increasingly important role in ensuring the impact and sustainability of health investments and continued donor support will be needed for some time to come. The new Department has been set up to address this.

Since its formation in January 2021, the Department has worked to “articulate our vision and ways of achieving it, by building on the Global Fund's strengths and track record and recognizing the organization's skill set and position within the global health architecture,” says Kalipso.

The Department's work aims to:

1. Raise and spend more, domestically;
2. Spend better to help countries achieve more for health, by using money more efficiently;
3. Leverage partnerships to maximize the Global Fund's impact working in alignment with core partners like the World Bank and the World Health Organization (WHO); and
4. Support successful transitions and transition preparedness by working with countries to mobilize more internal resources that can sustain investment in health after Global Fund funding comes to an end.

How to achieve the HFD's aims

Six focus areas, or 'levers,' reflecting the organization's core strengths, will help the HFD to achieve its aims: co-financing, advocacy for domestic financing, technical support, blended finance, value for money and partner engagement.

"The structure aims to strengthen capacity on key thematic areas essential to our health finance efforts, particularly in the challenges we face with COVID-19. Each lever focuses on individual challenges and potential solutions – connect back to how we mobilize more resources for health and the three diseases and enhance the impact of resources."

Matthew MacGregor, Deputy Head, Health Finance and Senior Manager, Country Support & Sustainability, Technical and Co-Financing

### Meet the Health Financing Team

Previously, health finance capabilities were spread across the Global Fund. The new Department not only pulled them into a single unit, but reorganized the function to be fit-for-purpose, serving the needs of the Global Fund, its partners and the countries it works in.

"It would've been challenging to articulate and implement a vision that is timely, topical and relevant based on structures there were set up several years ago. The health finance landscape, both globally and at country level, has changed dramatically in recent years. It was important to take a step back so we could set up the optimal structure for the future," says Matthew MacGregor, who moved into a new role as HFD Deputy Head.

The Department was reorganized into four teams: Country Support, Blended Finance & Strategic Partnerships Team and Advocacy Team – reflecting the levers of its strategic approach – and the Strategic Advice and Program Management Office (PMO), a cross-cutting function to strengthen coordination, build knowledge and more proactively manage health financing-related risks.

The Country Support Team will provide comprehensive technical support for Country Teams and countries across the grant lifecycle. The team of Health Financing and Value for Money Specialists includes new staff previously working with Gavi, the Vaccine Initiative, the Joint United Nations Programme on HIV/AIDS (UNAIDS), the World Bank and the private sector, to complement the existing, core team. Their work will include support for core grant processes, the COVID-19 Response Mechanism (C19RM), and co-financing, as well as an expanded approach to providing technical support for key thematic areas that align to country priorities, such as health insurance strengthening, integration of disease programs, addressing user fees and other financial barriers to access, and operationalizing outcome-based payment modalities. The team is organized geographically to match the Grant Management Division (GMD)'s structure. A Value for Money sub-team will support the important objective of maximizing the impact of existing resources in an equitable way, globally and nationally.

The Blended Finance & Strategic Partnerships Team will work with partners to identify new and innovative ways to raise additional resources and maximize the impact of external health financing partnerships – all aimed at solving problems faced by countries and Country Teams. The team will include new and existing colleagues with key skills to engage core partners and streamline deal making internally

With strengthened capacity and resourcing, the Advocacy Team will focus on advocating for increased domestic financing for health through activities at global, regional and national levels. This function, after moving from External Relations & Communications into the new department, will continue to build on previous efforts on domestic financing advocacy. One of its planned activities is to support National Financing Dialogues in selected countries, an initiative the Global Fund Observer will report on at a later date.

Strategic Advice and PMO is a cross-cutting team overseeing work on health financing data, implementation of Strategic Initiatives (SIs), knowledge management and reporting, and overall coordination.

### Looking ahead

For the future, the HFD team sees opportunities in the new structure. George Korah, who moves into a new role as Senior Technical Advisor, Knowledge Management and Assurance, providing technical oversight for country and Country Team engagement, says: “There has long been recognition that this area is critical to program sustainability. The vision has not changed; but the new department and added resourcing will allow us to take that vision forward.”

### On collaboration and prioritization

“One of the biggest benefits of a health finance role at the Global Fund is country support. It is where the dial can be moved, and where we can make the most impact. Bringing all these pieces together allows us to have greater impact and visibility. That is extraordinary. This Department has the chance to reset the political and technical agenda for health finance at country level,” says Shu-Shu Tekle-Haimanot, Manager, Advocacy Team.

One of the biggest challenges ahead is prioritization – both in the key areas where the department will engage, and in addressing the challenges countries will face, particularly with strained resources due to COVID-19. There are many competing needs with demands for support from other departments, partners and at country-level.

“We have big health financing challenges coming our way and we need to get better at engaging effectively across the Finance Department on all those aspects – from raising additional resources to thinking about integration of public health into health systems to improving value for money of country level procurement. There are no easy answers, but the questions of where we spend our time, energy and focus to realize our vision and our potential,”

Kalipso Chalkidou, Department Head

Collaboration with other teams will be critical to success. Working closely with Country Teams, the ‘face of the organization’ on these challenging issues, is a key priority for the HFD. Tough questions on disease-specific financing and integration requires alignment with Technical Advice & Partnerships including the disease teams and Resilient and Sustainable Systems for Health. Other key partners include Community, Rights & Gender for questions on transitions and dependencies on external financing for specific key and vulnerable populations, and Finance for critical work on public financial management. Value for Money and efficiency will work closely with Supply Operations and disease leads, with other areas of the Department expecting close collaboration with the External Relations and Communications Division, Risk, Strategy & Policy Hub, and many others.

“It is certainly a big challenge, but we need to focus on the opportunity. This enhanced HFD puts the Global Fund in a good place to meet the needs of the future,” says Kalipso. “We are bringing together a

diverse, exciting team – making the whole more than the sum of its parts in serving the vision of the Global Fund. In the current environment, that is more important than ever.”

Kalipso Chalkidou, the new face of health financing in the Global Fund

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