



Independent observer  
of the Global Fund

## Plans for operationalizing the forthcoming Global Fund Strategy

One of the hottest topics of 2021 was that of the development of the new Global Fund Strategy 2023-2028. From the 18 months of consultations culminating in the Partnership Forums of March 2021 to the development of the Strategy Framework, its narrative and the sometimes interminable-seeming debates on pandemic preparedness and response (PPR), everyone had something to say, and views were often polarized. The Strategy's development has consumed Global Fund business for so long that it seems entirely appropriate to see a Board agenda where the forthcoming Strategy is the first substantive item for discussion.

The partners' statements released prior to the Strategy Committee (SC) meeting had quite a bit to say about the Secretariat's plans to operationalize the Strategy.

What stakeholders appreciate about the preliminary plans

Stakeholders were united in expressing their gratitude for the efforts of the Strategy Committee (SC) and Global Fund Secretariat to respond to multiple constituency requests for more detail on the "How" behind implementing the ambitious new Strategy. There was huge appreciation for what one constituency called "very difficult and complex, even unprecedented" work. That, for the first time in Global Fund history, the Board required the Secretariat to present it with "an approach for Strategy implementation with a focus on delivering the key changes outlined in the Strategy using all existing levers and identifying where new solutions will be required."

As we describe in article 5, the Secretariat had identified a theory of change (TOC) and its ten mini TOCs for each change pathway as the best approach to allow the Board and its partners to take stock of the

past 20 years of Global Fund experiences and to ascertain what needed to be changed. The high-level TOC was seen to be a good start, while the various 'three-year vision of success' bullets offered some concrete examples of the types of changes the Global Fund would expect to see.

Some people felt there has been good progress, particularly regarding the many levers for each of the ten mini TOCs for the Strategy's execution that are either up for recommendation or decision at the May Board meeting or will be discussed and decided in the forthcoming Board and Committee meetings later this year. Stakeholders welcomed the use of all possible levers e.g., Grant Approval Committee (GAC)/Technical Review Panel (TRP) review, Catalytic Investments, Allocation Letters, Funding Request (FR) forms, to drive decisions supporting the Strategy's implementation and looked forward to receiving the SC work plan that will inform stakeholders about how strategy implementation discussions will evolve alongside the timing for each decision on a lever. Stakeholders also wanted the Board to be given a timeline on what else was needed for the Strategy implementation.

However, several people had what they called 'significant reservations' about the proposed approach and remained unconvinced that the measures proposed will deliver the paradigm shift embodied in the new Strategy.

Some people highlighted the importance of implementation so that the Strategy helps to end the three epidemics by 2030. Changing the Strategy but using the exact same implementation tactics will not allow the desired results to be achieved as the same bottlenecks will stand in the way

Now is the time for discussion on the "How"

During the 2021 Strategy discussions, the Secretariat consistently explained that the Strategy is the "What" and that the discussion on the "How" will soon follow.

This TOC is a good step in that direction. However, as its name indicates, it remains a theory. Stakeholders now want to discuss the practice. How will the desired results be reached? Which policies, objectives, processes, procedures will be updated? In which directions and by who?

The Secretariat has explained the length to which it is going to measure and evaluate results and has regularly updated different committees and the Board since the Strategy Framework was adopted. However, several were concerned that the Secretariat has communicated very little on "how" to obtain different results. Monitoring, evaluation and changes in policy, processes, procedures should be discussed concomitantly.

The Secretariat should focus its efforts on some priority changes

Problem statements for each 'strategic shift' in the TOC

While the TOC provides an important overview and the "mini" TOCs bring together many important implementation levers, several stakeholders felt that the TOC had to be fully completed to respond to all the expressed needs. Many thought that a clear problem statement was still missing on what is not working well in the Global Fund Business Model so far and what needs to be adjusted to address these weaknesses and challenges.

Moreover, stakeholders wanted to see the catalytic investments and key performance indicators visibly linked to the TOC so the Secretariat could provide the Board with a comprehensive package for the Strategy's operationalization.

The 'levers' approach

Some were less keen on the use of the ten change levers as the organising principle for the TOC. Taking this route, it was felt, appears to create further verticalization of Global Fund activity with little or no sense of how, taken as a whole, these levers will act to achieve the five Strategic Objectives (SOs). The current design of the different mini-TOCs also leaves substantial gaps across the SOs, especially for resilient and sustainable systems for health (RSSH) and domestic financing and sustainability.

For a comprehensive Global Fund Strategy TOC, stakeholders suggested that a more constructive approach might be to start with the five SOs and lay out the three- and six-year visions of success for each one. This would mean determining what would be needed within the different interventions, including each of the ten levers of change, to get from the present status to the three- and six-year determinants of success.

### Community, rights, and gender

The opinion of many stakeholders is that some key changes, several of which are cross-cutting, are at risk of being siloed. People would like to see a greater emphasis on the strategic and operational changes required to place greater emphasis on community voices and community systems as central to Global Fund business, especially on equity, rights, and gender issues. They wanted to see increased efforts to systematically integrate these elements within the proposed TOC and provided some examples where the role of communities and gender issues, currently noticeably absent, could be spelled out.

Almost all constituencies had many follow up questions. For example, the TOC indicates that there will be a high reliance on catalytic investments to advance key changes around community, rights, and gender (CRG) and TB. Stakeholders wondered if the pros and cons of this approach had really been fully considered, and this will undoubtedly be one of the key points for discussion under the Board's agenda item to decide on the catalytic investments for the 2023-2025 allocation period.

Stakeholders welcomed proposals such as "improved policies and processes within the Secretariat" [to enhance quality and scale of programming on human rights, gender, and equity] (slide 20) but requested further clarity on what this means in practice. Will CRG become part of the whole architecture and funding model? Will it become part of the Management Executive Committee? These questions were not intended to be overly directive but represented stakeholders' need for greater specificity as to how the Secretariat (in its structure) will prioritise responsibility, accountability, oversight, and technical expertise at the level required for the most effective implementation.

Need to describe and unpack the linkages between the chain of activities, outputs, outcomes, and impact; and RSSH in particular

Many felt the lack of focus on links between TOC elements, in particular activities/outputs-outcomes, weakened the TOC. There was no mention of which links have a strong evidence base and which do not, yet the areas of intersections between the basic chain of input/output/ outcome/impact are critical.

Some were surprised at the lack of reference to the 'conifer of control' (referring to the SC's description, in 2021 Board discussions, of the Strategy's building blocks). The listed activities and interventions are high level and broad but do not identify the specific areas where the Global Fund can exercise control or support. This kind of analysis would lead to more explicit assumptions about where the Global Fund has greater leverage compared to those areas which rely more on what Global Fund partners need to do.

For example, key shift 2 seeks "much more emphasis on integrated people-centred quality services, rising above disease siloes to build RSSH that protect people from multiple pathogens, address their holistic needs and underpin health and well-being for all". The 'work in progress summary' describes the ambition for the next three years which includes the following major change levers: (i) create opportunities for

pooled health financing approaches; (ii) use of catalytic investments; (iii) update FR templates and guidance; (iv) broaden Country Coordinating Mechanism (CCM) representation; (v) leverage bilateral support for RSSH through earmarked funds; and (vi) include indicators measuring integrated health systems functions in the Modular Framework.

However, it remained unclear how these proposals: (i) responded to previous Technical Evaluation Reference Group (TERG) and Technical Review Panel (TRP) reviews which recommended business model adaptations such as extending the length of the grant period for RSSH investments and introducing integrated funding requests; (ii) take account of the practical difficulty of using pooled funding approaches within the constraints of the current business model, which needs several adaptations to make this more straightforward; (iii) learn from the experience of the last grant period where improvements to FR templates and guidance did not result in significant improvements in RSSH investments in the grants; (iv) significantly change the decision-making process around RSSH proposals – noting that several bilaterals with earmarked funding already prioritize this area and the Country Coordinating Mechanism (CCM) Evolution Project has highlighted both the strengths and weaknesses of the CCM model; and (v) create a meaningful shift in other incentives to support a substantial increase in the quantity and quality of RSSH investments.

Some people recommended a clearer articulation between the RSSH Mapping Exercise referred to in the Board paper on the TERG Update, and the ongoing work described in the slide ‘Strategy’s implementation plans in the Work in Progress Summary for People-centered Integrated Systems for Health’.

In its guidance for the implementation paper, the SC highlighted important interlinkages between key changes. Stakeholders wanted to see more on these in the mini TOCs, especially between RSSH and PPR. For example, the slide on pandemic preparedness provided few details on the major change levers — perhaps because of the past year’s difficulties in reaching consensus on what PPR might look like in the new Strategy

The introduction of indicators in the Modular Framework is seen as a helpful move in this direction as are the proposed matching funds for community systems investments.

However, it seems unlikely that these measures alone will be enough to outweigh other incentives promoting disease-specific programs and/or programs which are more straightforward to implement. The TERG, for example, has previously recommended using behavioural “nudge” mechanisms such as changing the default setting (e.g., a recommended minimum allocation to RSSH) and several stakeholders believe that this has the potential to support the more radical transformation sought by the Board.

### Pandemic preparedness and response

Stakeholders noted that the Secretariat aims to launch the next grant cycle “with clear guidance for countries on how investments should be leveraged to build PPR capabilities (e.g., international health regulations capacity, and based on National Action Plans for Health Security) in an integrated manner through core RSSH, HTM (HIV, TB, Malaria), community investments, etc.” They asked if there had been discussion on what this means for the nature of investments in HTM and RSSH, and whether this will require countries to make trade-offs between the Global Fund’s core mandate on HTM and the evolving objective on PPR? The TOC is unclear on this.

Successful implementation from a global perspective requires a loud “diplomatic” voice

Implementing Global Fund grants successfully to save lives and prevent diseases requires all stakeholders to work differently. To name but few, these include the Board which makes decisions, the

Secretariat which applies the decisions, implementer governments and other non-state implementers, communities, people living with or affected by the diseases, donors, and other partners.

Additional information was also requested on 'Intensified action to address inequities, human rights and gender-related barriers' which could benefit from linkages with other new elements of the Strategy, including capturing diplomatic voices and working at the political level to ensure greater impact on the ground.

How will stakeholders work (on their own or together) differently to make this new Strategy a success? For example, leveraging the Global Fund's diplomatic voice early enough and at a high enough level could help with the Seventh Replenishment and increase domestic resources for health which the current Investment Case expects to be \$59 billion.

## Recommendations

There was recognition that, like the development of the Strategy itself last year, plans for implementation were still evolving and hopefully the next iteration would better reflect interlinkages between, and prioritisation of, the key changes.

Five clear directions emerge from stakeholder feedback:

1. The Secretariat revisits these – and other – change proposals with greater realism around the potential impact of each change lever, a broader set of levers including business model adaptations, a strong focus on incentives, and a clear articulation of a high level of ambition for the overall change to be delivered.
2. The Secretariat presents the SC with a list of proposed changes to policies, objectives, processes, procedures for recommendation to the Board.
3. Following TERG/Office of the Inspector General (OIG) evaluations and audits of health systems investments and related recommendations, stakeholders have consistently requested standalone RSSH grants for greater effectiveness and efficiency. RSSH investments within HTM programs are often difficult to implement for many reasons including administrative organization. About 13.5% of investments are currently invested in RSSH but this average conceals wide differences between countries. It should be increased to about 20% of a country's allocation dedicated to RSSH in areas related to the Global Fund investments such as data, laboratory, and community systems, as well as digitalized supply chain systems. These RSSH components are indispensable for the successful implementation of the grants to fight HTM and for PPR.
4. The letter and the spirit of the Sustainability, Transition, and Co- Financing Policy be adhered to so that in practice the co-financing of low-income countries could contribute to reinforcing their health systems.
5. Discussion resulting in a recommendation to the Board on the length of grant implementation; or on processes that will allow implementers to focus on implementation during the three years. Often, in countries with a three-year grant, implementers have about on average up to 18 months of dedicated attention to grant implementation in the best-case scenario (outside COVID-19) in between closure of the previous cycle's grants and processes to meet starting new grants.

The stakeholders concluded by requesting the Secretariat to continue this promising work and provide the Board with a complete TOC for all 10 change pathways including all available levers.

Above all, however, stakeholders wanted more than mere discussion on this Update. They recommended that the May Board take a decision as to whether these revised proposals set the Global Fund on the right path to fully implement the strategy.

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