



Independent observer
of the Global Fund

THE GLOBAL FUND MAKES LAUDABLE EFFORTS TO TACKLE COVID-19, BUT QUESTIONS REMAIN

Early March, the Global Fund to fight AIDS, TB and malaria recognized the threat that the novel coronavirus that causes the new coronavirus disease (COVID-19) poses to the health systems of its beneficiary countries. The Global Fund [issued a first guidance note](#) allowing countries to redeploy underutilized assets, repurpose grant savings and, in exceptional cases, reprogram up to 5% funding from existing grants to fight COVID-19. The Secretariat estimates the costs of these flexibilities at \$500 million. A month later, the Global Fund announced an additional [\\$500 million to a newly created COVID-19 Response Mechanism](#).

Such efforts are laudable for their promptness and the monies they make available.

The Global Fund has learned some lessons from the 2014-15 Ebola epidemic that devastated three countries with fragile health systems, where it had by then already been investing for a decade. Peter Sands, the Executive Director of the Global Fund, [stated](#), when explaining the organization's plan to fight COVID-19, that malaria killed more people during the Ebola epidemic in West Africa than Ebola itself.

Nevertheless, these efforts also raise many questions that the Global Fund should address to avoid misconceptions and demonstrate its commitment to transparency.

Where does the money to fight COVID-19 come from?

The Global Fund has set aside about \$1 billion to fight COVID-19. Half of it, \$500 million, is from allocations not absorbed by current grants, as the Secretariat explained. The other half comes from portfolio optimization, which is a process by which the Global Fund reallocates resources away from

countries that cannot use them to countries that can use them during that grant cycle. (See previous GFO's [article explaining the Fund's COVID-19 funding](#).)

Historically, the average Global Fund program's absorption rate was 66%, according to [Peter Sands, the Executive Director, in an interview with Devex](#). He further explained that the organization aimed to have a 75% average absorption rate for the cycle ending in 2020-2022.

Considering the [Replenishment for 2017-2019 of \\$12.9 billion](#), and assuming 75% absorption rates, the Global Fund may have an extra \$3 billion at the end of the current implementation period. It makes sense to spend some of those funds to fight COVID-19. If, however, absorption has increased significantly, finding that \$1 billion for the COVID-19 response implies that the Global Fund has to defund some planned activities.

The latest Global Fund situation report dated 21 April stated that in implementing countries, 97% of the fund used to fight COVID-19 come from savings. Does it mean that few interventions were defunded to benefit the COVID-19 fight? The Secretariat must provide clear information on the source of the fund allocated to the COVID-19 response.

What have the Global Fund's investments in health systems achieved?

"Build Resilient and Sustainable Systems for health" is one of the four objectives contained in the Global Fund Strategy 2017-2022. The Global Fund describes itself as "the largest multilateral funder of health systems worldwide." Since 2014, the Global Fund has invested [\\$5.8 billion in RSSH](#), according to its Office of the Inspector General.

The Global Fund has implemented a [sustainability, transition, and co-financing policy](#) that requires almost all beneficiary countries to increase their domestic investments in health systems. Low-income countries can invest all their co-financing, which is the domestic investment necessary to receive Global Fund monies in their health systems. Low-middle-income countries are to put their co-financing towards health systems and the three disease programs. Only a few upper-middle-income countries are required to invest all their co-financing in disease programs and especially in key and vulnerable populations. Aidspan has described the [assessment](#) of this policy by the Global Fund Technical Evaluation Reference Group earlier. Aidspan also showcased several low and middle-income countries where the [co-financing tool served more to purchase commodities than to help build health systems](#).

One may ask what the Global Fund has achieved with its investment in health system strengthening since 2017. Was pandemic preparedness ever included in the RSSH investment?

Promote and protect human rights and gender equality

"Promote and protect human rights and gender equality" is one of the Global Fund's current strategic objectives. Many measures used by governments to tackle COVID-19 may pose human rights challenges. For instance, freedom to hold physical meetings with a large number of people is restricted, as well as movements within a country in some circumstances; some people are forcibly quarantined, while others are under digital surveillance. Governments take all those measures for the "higher good." In some countries, those measures can help silence political opponents, journalists, activists, and critics.

Admittedly, this COVID-19 response requires flexibility and fast decision making; nevertheless, the Global Fund should still uphold its principle of respecting human rights. Does the Secretariat plan to monitor whether its monies fund programs that violate or risk violating human rights?

COVID-19 has a differential effect on men and women. There is a [higher proportion of fatalities among men](#) in China where the disease first appeared, and in the United States, Spain, Italy, France, the United

Kingdom and Germany, the countries that have the highest numbers of cases as of April 29. Authorities in those countries have published data disaggregated by sex. But in many parts of the developed world, where the infection rates are increasing, women may be overexposed because they are often outside the home looking for food or in the markets. Does the Global Fund plan to monitor whether interventions implemented under the COVID-19 initiatives on Global Fund-funded programs are gender-sensitive?

Efficiency in managing and sustaining the fight against COVID-19

The Global Fund Secretariat has created an ad-hoc emergency structure to manage the fight against COVID-19. Other emergency mechanisms exist in the Global Fund. There is an Emergency Fund under the 'catalytic funding' stream. The Global Fund provided emergency humanitarian funding to Venezuela in 2018. One can ask whether it is now time for the Global Fund to explore a mechanism to deal with all emergencies.

Also, from everything we know so far, the COVID-19 pandemic is unlikely to end in a couple of months. It may well last longer, especially with fears of a second wave, as countries lift their first containment measures. How sustainable are the Global Fund's efforts to fight the COVID-19 pandemic? And will this new fight eclipse the Global Fund's primary mission of fighting AIDS, TB, and malaria?

Further resources:

- Global Fund [COVID-19 Response Mechanism Update for Implementing Countries](#), 17 April 2020, Geneva
- Global Fund [COVID-19 Situation Report](#), 21 April 2020
- 35th Board Meeting [The Global Fund Sustainability, Transition, and Co-financing Policy](#) GF/B35/04 – Revision 1 Board Decision 35th Board Meeting, April 2016

The writer of this article is an unpaid contributor from within the Global Fund partnership, who wished to remain anonymous. The Global Fund Observer welcomes contributions from third parties, in the service of the Global Fund's mission to maximize its life-saving work.

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