

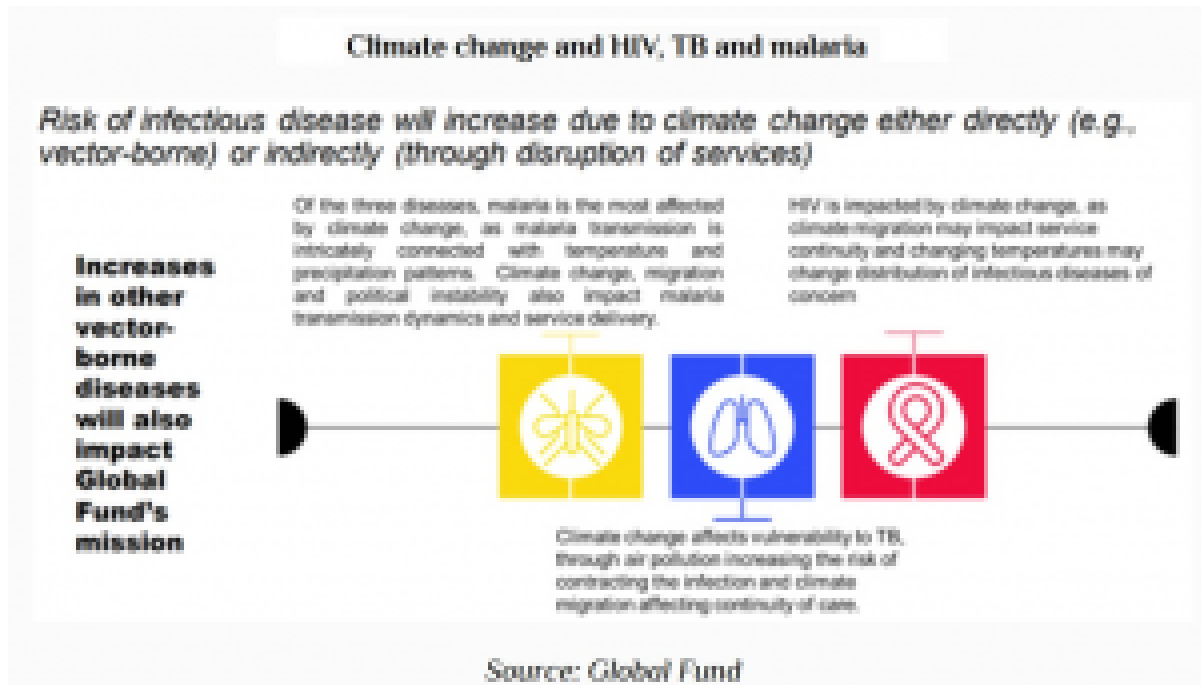


Climate change and global health: The Global Fund's new catalytic investment proposal

Introduction

The Global Fund is taking a significant step to address the growing impact of climate change on global health. In a groundbreaking proposal considered by its Strategy Committee (SC) in July 2024, the Global Fund is recommending the establishment of a new investment priority focused on the intersection of climate change and health for its 2023-2025 grants. This strategic move recognizes the urgent need to support countries in both adapting to and mitigating the health impacts of climate change, particularly in relation to HIV, tuberculosis, malaria (Figure 1), and overall health systems.

Figure 1



It follows the October 2023 meeting of the SC, when the issue of the climate emergency was presented to it for the first time in its history. You can read all about it in [Aidspace's article here](#). The proposal aims to address concerns about climate-related challenges that are disrupting health initiatives worldwide. If approved, this new priority would enable the Global Fund to provide targeted resources for climate-related health interventions in the most vulnerable regions of the world. By integrating climate considerations into its core mission, the Global Fund aims to strengthen the resilience of health systems and protect the progress made in the fight against infectious diseases. This initiative represents a significant shift in global health funding strategies, recognizing the intrinsic link between climate change and public health outcomes. It underscores the Global Fund's commitment to adaptive and forward-looking approaches to complex, interconnected global challenges.

Background and Context

In recent years, there has been a significant increase in climate-related crises, challenging global health programs still recovering from the COVID-19 pandemic. The Global Fund, which allocates 71% of its resources in the GC7 to the 50 most climate-vulnerable countries, faces significant challenges in sustaining progress against HIV, TB and malaria. Extreme weather events, such as the devastating floods in Pakistan, and the tropical Cyclone Freddy that had landfalls in Madagascar, Malawi and Mozambique, disrupted health systems by causing widespread displacement, food insecurity and increased poverty. As a result, access to and quality of health services were compromised and led to an increase in disease incidence. For example, a five-fold rise in malaria cases in Pakistan and the biggest outbreak of cholera in Malawi.

The Global Fund, which allocated most of its US\$13.1 billion under Grant Cycle 7 (GC7) is now under increasing pressure to address the health impacts of climate change. Countries are urgently seeking support to address these issues, with \$500 million in climate-related investments already identified on the Global Fund's Unfunded Quality Demand Register, a sum that it committed to at the United Nations Conference on Climate Change (COP28) held in 2023. Recognizing this critical need and growing donor

interest in climate-health initiatives, the Global Fund is proposing the establishment of a new Catalytic Investment Priority under GC7. This initiative aims to mobilize additional resources from private sector donors specifically for climate-related health interventions. It seeks to address the urgent needs of vulnerable populations while remaining consistent with the Global Fund's core mission and existing programs.

Impact on disease prevalence and transmission:

The impact of climate change can be seen in the following: Over 50% of infectious diseases are exacerbated by climate hazards; malaria, which is highly climate-sensitive, is expanding into highland areas and increasing in prevalence among children in sub-Saharan Africa; extreme weather events, such as the floods in Pakistan in 2022, have led to dramatic increases in malaria cases; climate change has been linked to rising HIV transmission rates and is affecting tuberculosis through multiple pathways. Climate change negatively impacts access to and quality of health care and exacerbates food insecurity, poverty, and displacement.

Current response and growing needs:

The response from the Global Fund has been to use its Emergency Response Fund, which allocated 46% of its resources to mitigate climate-related impacts on HIV, TB and malaria programs. However, The GC7 Unfunded Quality Demand Register shows a need for climate-related health interventions to the tune of \$300-500 million underlining the growing need for both immediate action and long-term investment in climate-resilient health systems.

The Global Fund proposed approach

The Global Fund proposed approach includes, firstly, to provide immediate support for climate adaptation and mitigation efforts in health systems; and secondly, to generate valuable lessons that can help strategies for the Grant Cycle 8 (GC8).

By piloting this proposal, the Global Fund can gain practical experience in integrating climate considerations into its health programs, preparing the way for more comprehensive and effective responses in the future.

Proposed strategy:

To address these challenges, the Global Fund proposes to:

1. Create a new Catalytic Investment priority to leverage additional private sector funding.
2. Increase flexibility to respond to emerging climate-related health priorities.
3. Help countries build climate-resilient health systems and programs.
4. Focus on interventions such as

- Improving access to health care in disaster-prone areas
- Extending coverage to displaced populations
- Implementing targeted malaria prevention activities
- Strengthening disease surveillance systems

This approach aims to integrate climate considerations into existing health programs while maintaining appropriate safeguards for current investments. By adopting this new priority, the Global Fund can more effectively support countries and communities in addressing the complex interactions between climate change and global health challenges.

Key components of this new catalytic investment:

Funding mechanism to include an additional climate-specific funding; a policy on Restricted Financial Contributions (PRFC) compliance; and alignment with Board-approved priorities and cost effectiveness.

Areas of investment focus in the most climate-vulnerable countries with high HIV/AIDS, TB, malaria burden will cover immediate climate adaptation needs of health systems and programs, building climate-resilient health systems, and promoting low carbon, environmentally sustainable technologies and approaches. Immediate climate adaptation will encompass preparedness and response in disaster-prone areas and accelerated disease control in high-risk climates. Climate-resilient health systems will include climate-smart disease programs; an improved surveillance, community systems and supply chains and a climate-informed health workforce development. Environmentally sustainable technologies and approaches will span clean and solar energy solutions, sustainable waste management, and carbon management in health facilities and supply chains

Implementation strategy will undertake the following: target 10-15 most climate-vulnerable countries with significant Global Fund investment; align with country needs and donor priorities; adapt existing governance structures; and work with technical and donor partners

Operational approach will be to leverage existing Global Fund processes and local and regional expertise through strategic initiatives; invest in unmet quality demand (UQD) and provide limited Secretariat capacity for interdisciplinary support and learning.

Governance and Transparency will include regular reporting to Strategy Committee and Board as well as possible adjustments to the Country Coordinating Mechanisms (CCMs) and the Technical Review Panel (TRP).

By integrating climate considerations into the core mission of the Global Fund, it aims to maintain operational efficiency and alignment with existing processes.

Strategy Committee recommended option

The Strategy Committee proposes creating a new Catalytic Investment (CI) priority focused on climate and health for several strategic reasons. The purpose is to mobilize additional resources, especially from private sector donors and philanthropic foundations. The idea is to create a direct channel for investment in climate-resilient health initiatives.

Additionally, the proposal presents a valuable opportunity for learning. It provides a platform to generate evidence-based results that can inform future strategic decisions. By launching this initiative in the current grant cycle GC7, the Global Fund can gather crucial insights that will shape more ambitious climate and health response mechanisms in the future.

Furthermore, it addresses the urgent need to combat the impact of climate change on efforts to fight HIV, TB, and malaria. By taking action now, the Global Fund will establish itself as a key player in the critical intersection of climate change and global health.

Options considered by the Global Fund

There are three options considered by the Global Fund to address the impact of climate change on health:

1. Create a new Catalytic Investment priority which is a recommended option
2. Fund climate-related interventions through core funding only:

This is already happening to some extent in GC7 particularly for malaria and for health systems interventions in Low Income Countries (LICs) and includes integrating climate change into national programs and using the Emergency Fund for climate-related disasters. However, this is limited by GC7 allocations and significant gaps in core programming and constrains the ability to attract donors interested specifically in climate/health adaptation. Further, there are potential risks from new alternative funds or mechanisms in an already fragmented global health space and this could affect the opportunities for integrated and effective solutions.

3. Launch a new mechanism from lessons learned from C19RM:

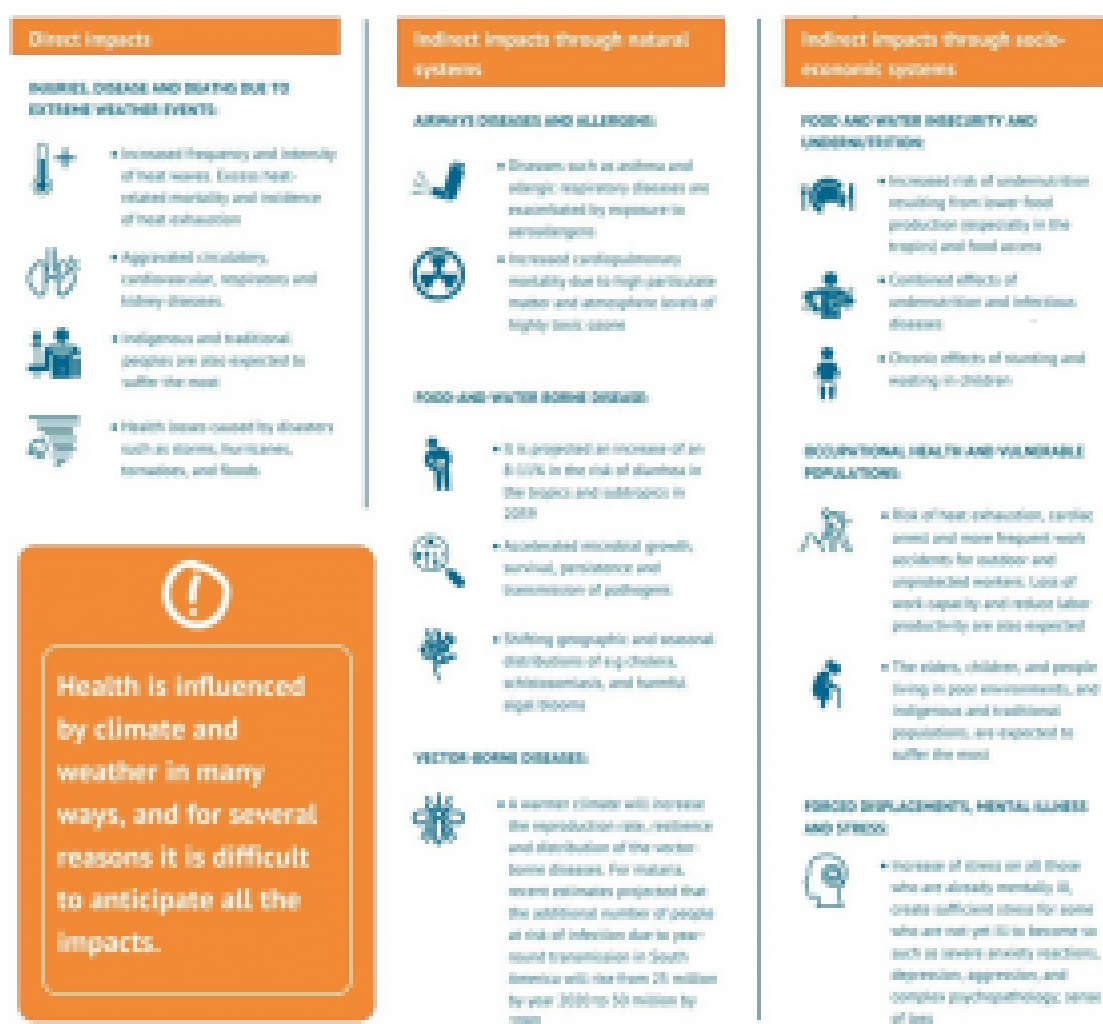
This would require careful deliberation on public sector earmarking restrictions and will imply a significantly larger funding size than a traditional CI. This could be considered in the future if the CI demonstrates success.

In order to make progress the Strategy Committee has made a recommendation to the Board to approve the establishment of a GC7 Catalytic Investment priority for Climate and Health.

Conclusion

The Global Fund's proposal to create a new catalytic investment priority on climate and health is a significant and timely response to the growing threat of climate change to global health. If approved and successfully implemented, this initiative could play a critical role in helping vulnerable countries adapt their health systems and disease programs to climate impacts. Additionally, it has the potential to position the Global Fund as a leader in addressing the intersection of climate change and global health. This could have far-reaching effects on broader discussions regarding global health and climate finance. As the world grapples with the accelerating impacts of climate change, initiatives like this one may prove essential in protecting hard-won global health gains and ensuring the resilience of health systems in the face of new and evolving challenges (Figure 2).

Figure 2: How Climate Change Affects Human Health



Source: Pan-American Health Organization (PACO), WHO, Americas Region.

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