

# The Global Fund to fight AIDS, Tuberculosis and Malaria: A model of financial partnership for global public goods

Friends of the Global Fund Europe calls on the organisers and participants to the Paris Summit for a New Global Financial Pact to consider:

- the need to finance all global public goods as defined in the Sustainable Development Goals, as they are inextricably interconnected, as they reflect the interdependence of global challenges and the need for a multilateral approach, grounded in equity, solidarity and inclusiveness, to collective pursuit of the common good. However, the 2030 target is fast approaching, amid an ever-growing array of climate, political, economic, humanitarian and health crises that exacerbate inequalities between rich and poor countries, and between the wealthiest and the most vulnerable populations within countries.
- the relevance of the Global Fund to fight AIDS, Tuberculosis, and Malaria as a model of effective multilateral partnership to finance global public goods.

Its values, principles and operating methods are perfectly suited to the fight against pandemics and other health threats: *Partnership, Country ownership, Impact, Effectiveness, Transparency.* 

Its evolving funding model, from a competition-based to an allocation-based funding model, responds to the needs of countries and their absorption capacities. The envelopes are determined by objective criteria of disease burden and economic capacity, and adjusted with qualitative performance and equity factors.

The Global Fund has been designed to adapt to crises thanks to its <u>Challenging Operating Environment policy</u> and has a unique position to tackle existing and future pandemics, as we have seen during the Ebola outbreak in 2014 and during the Covid-19 pandemic.

A unique contribution of the Global Fund to health systems strengthening relates to the integration of communities most affected by the diseases in health programming, implementation, financing, and oversight.

The Global Fund also contributes to the reinforcement of the rights of the populations it serves as health equity, gender equality and human rights are embedded as a contributory objective to the overarching goal of ending HIV/AIDS, tuberculosis, and malaria.

# The interconnectedness of global public goods at the centre of a new Global Financial Pact.

Climate change, the fight against extreme poverty, access to health and education, nutrition, human rights and gender equality, water and sanitation and more: these global issues, reflected in the Sustainable Development Goals (SDGs) adopted by the international community in 2015 as part of a



multilateral approach and in a spirit of universality and equity, all contribute to the general interest. These SDGs are interconnected: climate change threatens national economies and family incomes, reduced access to water and food accelerates the displacement of populations, who become increasingly vulnerable to poverty, disease, and violations of human rights and gender equality; the emergence of a new pandemic would exacerbate inequalities in access to care and treatment, and lead to multiple economic and financial disruptions, delays in access to education, and reduced financial and political resources to tackle climate change. Global issues call for simultaneous and coordinated programmatic and financial management that take into account these interconnections. When the SDGs were first launched, there was a clear consensus around the need to assess their progress and to think about their interconnections globally and according to each national situation with a view to accelerating their achievement without crowding out or generating new unmet needs. Yet, despite the financial and political efforts of all actors and the emergence of new partnerships, the prospect of achieving the SDGs by 2030 is fading.

According to an OECD report published in 2022<sup>i</sup>, the Covid-19 pandemic alone is estimated to have increased the global SDG financing gap to USD 3.9 trillion from a pre-pandemic level of USD 2.5 trillion. This gap could worsen considerably if another pandemic were to emerge, or if an existing pandemic were to rebound. This scenario is not mere science-fiction: the international community is currently losing ground against malaria with new cases increasing for two years in a row – albeit more slowly last year than at the peak of the Covid-19 crisis –, drug and insecticide resistant malaria has started spreading in sub-Saharan Africa, tuberculosis is considered a global public health threat by the World Health Organisation, and the demographic expansion of countries with highest rates of new HIV infections among young women and girls risks bringing AIDS-related mortality and deaths back to 2000s levels.

How can the shared sustainable development objectives be achieved with equity and solidarity when the effects of climate change on peace, the economy, and human, animal and environmental health are affecting all countries – particularly the poorest – and accentuating the immense inequality in countries' ability to prevent, respond, adapt to and recover from new crises? How can we collectively find new resources and ensure their effective use, to enable all countries to do their fair share in achieving the SDGs for the benefit of all? How can the international community come together in a spirit of partnership, and organise increased quantitative as well as qualitative financial support to the poorest countries, whose margin of manoeuvre is undermined by the growing burden of debt and a still extremely limited fiscal space? Attempting to address these questions requires, as a first step, taking stock of existing experiences in setting up global financial partnerships for a global public, such as the Global Fund to fight AIDS, tuberculosis, and malaria.

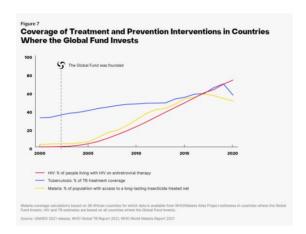
# Learning from experience: the case of the Global Fund to fight AIDS, tuberculosis, and malaria.

Twenty years ago, the global AIDS crisis inspired the international community to create what remains today one of the most effective multilateral partnerships for a global public good: the Global Fund to fight AIDS, tuberculosis, and malaria. At a time when most people affected by the diseases lived in the global south and life-saving treatments were only accessible in the global North, and as the AIDS pandemic was destroying the demographic and economic fabric of entire continents, the United Nation's General Assembly and Security Council called for the creation of a Global Fund to fight AIDS, tuberculosis, and malaria. At the G7 summits in Okinawa and Genoa, the world's richest countries committed to contribute financially to a Global Fund that would support low- and middle-income



countries in their efforts to combat the global pandemics of HIV/AIDS, tuberculosis, and malaria. Today, this financial and partnership organisation stands out as one of the very rare successes of multilateralism and global solidarity to address a global emergency.

Its success is measured first and foremost in terms of impact on the pandemics. Since 2002, in countries where the Global Fund invests, the AIDS-related death rate has been reduced by 74% and new infections by 54%, the TB death rate (excluding HIV-positive patients) has dropped by 42%, the malaria death rate by 47% and 23 countries have eliminated malaria. These results have contributed to increasing life expectancy in low and middle-income countries and reducing global inequalities in life expectancy: between 2002 and 2019, in the 15 countries of sub-Saharan Africa which accounted for 40% of the global decline in life expectancy inequality, it is estimated that nearly 60% of this decline was related to the reduced mortality from HIV/AIDS, tuberculosis, and malaria.



Source: Seventh Replenishment Investment Case, The Global Fund, 2022

This impact was only achieved because the Global Fund was able to set up a highly effective model to channel financial resources. Effective spending is a key lever to SDG financing: in the health sector alone, a 2010 WHO report estimated that inefficiencies consumed up 20-40% of available financial resources<sup>ii</sup>. The Global Fund's effectiveness in channelling funding helped drive not only efficiencies, but also domestic co-financing – which increased by 37% between 2018 and 2020 and by 33% between 2020 and 2022 – as well as additional resource mobilisation, to the point that in 2022, the Global Fund had invested USD53 billion and contributed to saving 50 million lives. The Global Fund's impact on AIDS, tuberculosis and malaria is exemplary and speaks to values and management principles with a structuring effect on the way countries design and develop their health systems. Its values, principles and operating methods are perfectly suited to the fight against pandemics and other health threats. Its model and its evolutions can serve as a pilot for other global public goods.

What lessons can be drawn from the Global Fund and its evolution both in terms of financing the organisation itself, its model for financing HIV/AIDS, tuberculosis and malaria programmes in countries, and its contribution to health systems and preparing for new pandemics? What reflections does its programmatic and financial operating model inspire today and how could this model evolve for a further heightened impact on the health of populations and the soundness of health systems while recognising and preventing the health consequences induced by global crises?



# 1. Pilot founding principles to mobilise and channel funding effectively.

Since its creation, the Global Fund has been governed by a set of core principles that guide and structure its strategy and functioning. These founding principles set out the organisation's strategic and management orientations and make it a model institution in terms of its governance, key structures, and internal bodies<sup>iii</sup>.

- Partnership: The Global Fund is built on a multilateral and multistakeholder partnership approach, which associates donor governments, implementing countries, civil society, communities directly affected by HIV/AIDS, tuberculosis and malaria, private foundations, the private sector, and technical partners. According to a 2022 assessment of the Global Fund by the Multilateral Organisation Performance Assessment Network, "the Global Fund's principle of inclusive partnerships is both ground-breaking and atypical", especially "its insistence that the populations it serves have a seat at the table in all discussions". The Global Fund coordinates its action with all bilateral and multilateral organisations active in the health sector.
- Country ownership: Through their <u>Country Coordinating Mechanisms</u> (CCMs), countries eligible for Global Fund grants assume responsibility for defining their priorities, needs, and requests to the Global Fund, through a transparent, multistakeholder approach. Global Fund-financed programmes are implemented by local partners, both governmental and non-governmental, that are selected and overseen by CCMs. The Global Fund is an international organisation that works to fund programmes: it is not a technical operator and does not have staff or offices in partner countries. The Global Fund aims to leverage additional financial resources, including domestic financing in recipient countries, through its <u>Sustainability, Transition and Co-financing policy</u>.
- Impact: The Global Fund promotes and finances evidence-based interventions, with scientifically demonstrated impact on the diseases and cost-effectiveness from a public health perspective. This includes prevention, treatment and care for HIV/AIDS, tuberculosis, malaria and related co-morbidities, as well as non-biomedical interventions such as nutrition and human rights support. Funding from the Global Fund is granted, disbursed, and renewed based on the quality of country demand and the results obtained. As the Global Fund gained experience, the concept of Value for Money was developed to define how to maximise and sustain quality and equitable health outputs, outcomes and impact for a given level of resources, to liberate fiscal space, reduce wastage and maximise impact. Value for Money helps countries address tradeoffs under resource-limited constraints based on five criteria:
  - Effectiveness: to invest in the most impactful interventions at an appropriate scale to generate the intended results while strengthening health and community systems and addressing structural barriers to HIV, TB and malaria preventive interventions and treatments.
  - Efficiency: to optimally allocate and utilise resources, to achieve grant outputs and maximise health outcomes, through successful and robust grant management processes.
  - Economy: to use robust procurement systems and resources to purchase the appropriate type of inputs, at the lowest sustainable price, and optimise programme management costs.
  - o **Equity**: to eliminate unnecessary, avoidable, unfair, and unjust differences in health between individuals and groups.



- Sustainability: to enable a health system to maintain and scale up coverage to a level that provides for the continued control of a public health problem.
- Transparency: Funding requests, funding decisions and grant agreements are available on the website of the Global Fund. All decision-making and programme implementation levels are accountable for their management and results. The Global Fund's Office of the Inspector General reports on all its activities in the interests of transparency and accountability, and all audits and investigations are published on the Global Fund website.

These founding principles, defined at the inception of the Global Fund between 2000 and 2002, pioneered the Paris Principles for Aid Effectiveness<sup>iv</sup> (2005) and the Accra Agenda for Action<sup>v</sup> (2008), which recognised that donors had to change their traditional approach to aid and share decision-making power with recipient countries.

### 2. An evolving funding model.

As the Global Fund continues to mature, it changes and adapts to a rapidly evolving context. Key points of interconnection between its core mandate on HIV/AIDS, tuberculosis, and malaria, and the broader global health and development landscape, have been progressively embedded in its strategy, while in parallel its <u>funding model</u> has been adapted for greater equity and access to funding for countries with the highest disease rates and the lowest ability to pay.

### From a competition-based to an allocation-based funding model

At the time of the Global Fund's creation, the main challenge was to rapidly increase countries' capacities to fight HIV/AIDS, tuberculosis, and malaria, in a qualitative and evidence-based manner. A funding model structured in rounds was established, whereby eligible countries had the opportunity to apply every year to the Global Fund, were encouraged to express their full demand and needs to fight the three diseases, and had considerable leeway in terms of scope of investments, extending to interventions in comorbidities, health systems and the social determinants of health, provided they were able to demonstrate evidence of quality and impact on the three diseases. This **competition-based** model succeeded in driving a rapid increase of financial absorption capacity as well as public health impact at the country level; however it failed to address the causes of recurring lack of progress in countries that were lagging behind, and to tackle inequalities among countries.

As the pace of additional financial resources available slowed and that of additional absorption capacity was continuing to increase rapidly, the Board decided in 2012, in a spirit of equity towards countries that had suffered from less access to funding in the competition-based model, to evolve to a new funding model, allocation-based, with three-year country envelopes determined by objective criteria of disease burden and economic capacity, and adjusted with qualitative performance and equity factors (e.g. absorption, maturity of health systems, size of key populations, gaps in coverage of essential services). Countries are encouraged to request funding beyond the allocation level for inclusion in the Global Fund's register of unfunded quality demand. This register allows the Global Fund to rapidly reprogramme funds forecast to remain unutilised ("portfolio optimisation") or to programme additional resources mobilised. This allows the Global Fund to ensure both a high level of financial absorption and quality public health programming.



### A model designed to adapt to crises.

The Global Fund was designed to adapt its operating methods and procedures to country needs in a tailored and differentiated manner, especially in the event of crises or long-standing instability. To do so, a key lever is the 2016 Challenging Operating Environment policy, which, in case of conflict or other major factors of instability, grants the Secretariat flexibility at all steps of Global Fund investments to enhance their responsiveness and timeliness, to reduce administrative burdens for partners, and to facilitate more effective service delivery to populations in need. It also confirms the Board's willingness to accept higher levels of risk in grants implemented in riskier environments and organises risk management and mitigation measures in grant design, implementation and evaluation. This policy, coupled with the Global Fund's unique experience in partnering with community networks both at governance and implementation levels, enables the Global Fund to maintain service continuity in areas where governments, multilateral and international NGOs are not able to operate. The Global Fund also designed a flexible approach to its eligibility criteria, so as to be able, on an exceptional basis, to grant funding to non-eligible countries in crisis, facing emergencies that adversely impact the global response to HIV/AIDS, tuberculosis, and malaria. This practice matured into a policy in 2018 and has been used in particular to grant exceptional funding to prevent a resurgence of malaria and HIV/AIDS in Venezuela.

### - An evolving approach to risk management.

In 2011, a High-Level Independent Review Panel on Fiduciary Controls and Oversight Mechanisms of the Global Fund, commissioned by the Board after the Office of the Inspector General had revealed several cases of fraud, highlighted that "unlike banks or other financial institutions, the Global Fund cannot avoid risks by simply denying funding; lives are at risk, and the very purpose of the organisation is to save them. Because the Global Fund works in environments that are inherently risky, the challenge for the institution then is not to avoid risks, but how to develop appropriate mitigation strategies to identify, assess and manage them". Following this report, the Global Fund's Board structured a risk management policy. On the one hand, it moved away from a zero-tolerance approach and defined its appetite for different risks<sup>vi</sup>, taking into account trade-offs among them. On the other hand, the Global Fund's capacity to mitigate and manage risks was strengthened around a three-lines-of-defence model, composed of management control, oversight by the risk management department, and independent assurance by the Office of the Inspector General.

# 3. Continued efforts to address the interconnections between pandemics, global health, and other public goods.

The specific interconnections between HIV/AIDS, tuberculosis, and malaria and the Millenium Development Goals (especially: poverty and hunger, child health, gender equality, women and maternal health, partnership) and key determinants of health (especially: income, social status, education, employment and working conditions, culture, gender, housing, and environment) were taken into account by countries in their funding applications to the Global Fund since its inception, to the extent that their impact on the three diseases was scientifically demonstrated. Such interventions go far beyond biomedical approaches and include income generating activities, nutrition kits, access to education for girls and adolescents, reduction of harmful gender-based stereotypes and violence, access to legal support, etc. Countries' ability to bring programmatic and biomedical innovations to scale thanks to Global Fund funding already played, and continues to play today, a key incentive role in terms of innovation and research to identify the most cost-effective interventions to tackle HIV/AIDS, tuberculosis, and malaria. As the Global Fund matured, the interconnections between HIV/AIDS,



tuberculosis, and malaria and broader health and development issues were progressively embedded in the Global Fund's strategy, to structure a more comprehensive and intentional approach to the Global Fund's broader impact on global health and other global public goods, while keeping its mandate, scope, and value-added clear in a rapidly evolving broader global health and development landscape — as reflected in the evolutions of the Global Fund's strategy.

#### A unique position to tackle pandemics.

The Global Fund is uniquely positioned to contribute to public health crises related to transmissible diseases, especially epidemic outbreaks. In 2014-2016, the Global Fund's contribution to the fight against the Ebola outbreak in West Africa highlighted the threat posed by epidemic outbreaks to progress against HIV/AIDS, tuberculosis, and malaria, as well as the overlaps between the response to HIV/AIDS, tuberculosis, and malaria funded by the Global Fund and the response to Ebola from a programmatic, operational, and therefore financial, point of view. This experience paved the way for the Global Fund's response to the Covid-19 emergency, and the quick establishment of a specific Covid-19 response mechanism (C19RM) funded through the resource mobilisation efforts of the Access to Covid-19 Tools Accelerator, leading the Global Fund to become a major contributor to global efforts to tackle Covid-19 as ACT-A's first multilateral funder of Covid-19 diagnostics and treatments in low and middle income countries. The Ebola crisis also highlighted the need to better account for and leverage the central role of the Global Fund in strengthening health systems' capacities for better and quicker detection and response to epidemic outbreaks, as the Global Fund appeared as the first multilateral provider of grants for health systems in low- and middle-income countries. The Global Fund's contribution to pandemic preparedness and response through its investments in health systems is an evolving objective of the new 2023-2028 strategy.

# - Towards a more structured approach to the Global Fund's impact on health systems, human rights, and gender equality.

The role of the Global Fund in health beyond HIV/AIDS, tuberculosis, and malaria stands out as a key area. From a qualitative point of view, a unique contribution of the Global Fund to health systems strengthening, which stems from its original approach to partnership, relates to the integration of communities most affected by the diseases in health programming, implementation, financing, and oversight. From a quantitative point of view, the Global Fund's contribution to health systems and pandemic preparedness and response capacities is estimated at one-third of its total resources. Health systems strengthening was already part of the first Global Fund strategy developed in 2006 and was upgraded to constitute one of the Global Fund's four strategic objectives under the 2017-2022 strategy. The new 2023-2028 strategy places integrated, people-centred systems for health among the contributory objectives to the achievement of ending HIV/AIDS, tuberculosis and malaria, with specific attention being given to the Global Fund's ability to better identify and leverage interventions that contribute to other existing and future diseases beyond HIV/AIDS, tuberculosis, and malaria, such as data, surveillance, laboratory and detection capacities, community systems, human resources for health, procurement and supply of biomedical products, medical oxygen, respiratory care and therapeutics. The Global Fund's structuring impact on health governance and financing will also be further conceptualised.

Another key area, which relates to but also goes beyond health systems strengthening, is the role of the Global Fund in fostering the rights of the populations it serves. Human rights violations and gender-related discriminations and stigma play a central role in the dynamics of HIV/AIDS, tuberculosis, and malaria, as they place specific population groups ("key and vulnerable populations"), such as men who have sex with men, trans people, drug users, sex workers, migrants, adolescents and young women,



children under five and pregnant women, in a situation of increased vulnerability to new infection, morbidity and mortality related to HIV/AIDS, tuberculosis, and malaria, as well as reduced access to prevention, testing, treatment and care services. Along with community systems strengthening, key populations were embedded in the first 2006 strategy of the Global Fund. A Gender Equality Strategy was adopted in 2008, and a Sexual Orientation and Gender Identity Strategy in 2009. In 2008 and 2009, four out of every five HIV proposals to the Global Fund included a focus on sex workers, men who have sex with men, transgender people and/or other sexual minorities. Nonetheless, proposals still lacked the ambition, breadth, and scale necessary from a public health point of view. The protection and promotion of human rights became one of the Global Fund's five strategic objectives as early as 2012, triggering a particular effort to further increase the direct and meaningful representation of key populations on CCMs. Under the new 2023-2028 strategy, health equity, gender equality and human rights are embedded as a contributory objective to the overarching goal of ending HIV/AIDS, tuberculosis, and malaria.

### - The Global Fund's role from a One health perspective: a new frontier?

As climate change and biodiversity loss accelerate, the role of the Global Fund in the human, animal and environmental "One health" nexus appears as the new frontier to further adapt and leverage its investments' in a rapidly changing context. One Health was incorporated into the Global Fund 2023-2028 strategy as part of the Global Fund's contribution to pandemic preparedness and response, with a focus on "addressing resistance to drugs and insecticides" and "encouraging climate, environmentallysensitive and One Health approaches". Several points of interconnexion already appear, especially around the impact of Global Fund investments on environmental, animal, and broader human health (e.g. waste and pollution management, spread of resistance to antimalarials and insecticides in mosquitoes, overall contribution of Global Fund investments to the control and spread of resistance to antibiotics), and around the impact of climate change and environmental degradation on HIV/AIDS, tuberculosis, and malaria (e.g. impact of climate change on malaria geography and vectorial patterns, impact of extreme climate events on access to prevention and care and disease transmission, impact of increased displacements and urbanisation). One Health can also be envisaged as an opportunity, through smarter and more thoughtful investments, for the Global Fund to contribute to broader pathogen surveillance, and to develop innovative models of prevention, treatment, and care. A more systematic explanation of the interconnexion between pandemics, global health and One health will be key to further adapt the Global Fund's model to a rapidly changing environment.

### Conclusion: the relevance of multilateralism in an increasingly polarised context.

In a context of increased fragmentation and geopolitical power rivalries at the global level, coupled with shrinking space for civil society and backlash against human rights, it is essential to resist the temptation of envisaging global financial solidarity flows primarily as tools for individualistic diplomatic purposes, and to recognise the effectiveness of mutualising funds and strategies to protect global public goods. The Global Fund is proof that multilateral and multistakeholder approaches work and can make a difference for future generations, and its successes should be replicated for other public goods as well.



#### About the Paris summit

On 22-23 June, 2023, France will host in the Summit for a New Global Financing Pact with the goal of "reshaping the architecture of development and climate finance for a stronger and more efficient international financial system". In the run-up to the G20 summit in September and COP 28, the Paris Summit aims to be a "focal point for discussion and identification of possible convergences". It will also provide a platform for non-state actors — public and private funds, the private sector and civil society — to participate in this discussion. The overarching objective is to set up an architecture that will be robust enough to deliver more resources, protect them from possible economic or geopolitical shocks and meet the strongest standards of fairness in the international community. This event will address issues including the reform of multilateral development banks, debt crises, innovative financing, international taxes, and special drawing rights. While climate is at the heart of the summit, health, as a global public good, is also on the agenda.

"The international community's responses are currently fragmented, partial and insufficient. We therefore call for a fundamental overhaul of our approach. Together, we need to build a more responsive, fairer, and more inclusive international financial system to fight inequalities, finance the climate transition, and bring us closer to achieving the Sustainable Development Goals".

# HE Mia Mottley, Prime Minister of Barbados

"We will take a major step forward, starting by establishing a new consensus. The fight against poverty, the decarbonisation of our economy in order to achieve carbon neutrality by 2050, and protection of biodiversity are closely intertwined. We therefore need to agree on the best means to address these challenges in the low-income and emerging countries of the developing world, when it comes to the amount of investment, comprehensive reform of infrastructure like the World Bank, the IMF, and public and private funds, and how to set a new process in motion".

HE Emmanuel Macron, President of France



<sup>i</sup> Global Outlook on Financing for Sustainable Development 2023: No Sustainability Without Equity, OECD, 2022 <a href="https://www.oecd.org/finance/global-outlook-on-financing-for-sustainable-development-2023-fcbe6ce9-en.htm">https://www.oecd.org/finance/global-outlook-on-financing-for-sustainable-development-2023-fcbe6ce9-en.htm</a>

"The World Health Report: Health Systems Financing: the Path to Universal Coverage, WHO, 2010 https://apps.who.int/iris/handle/10665/44371

These core founding principles are embodied in the following key structures of the Global Fund:

- The Board is the Global Fund's supreme governance body, in charge of developing the Global Fund's strategy and policies, overseeing its governance and organisational performance, reviewing and approving its commitments of financial resources and risk management, and mobilising the broader partnership. Donors and implementers have an equal number of voting seats. Civil society and communities affected by the three diseases have three voting seats. Private foundations and private sector have one voting seat each. Multilateral agencies, such as WHO, UNAIDS, Stop TB Partnership, Unitaid, and the World Bank, participate in the Global Fund Board as part of the non-voting technical partner constituencies.
- The Country Coordination Mechanisms (CCMs) are a country-owned bodies in charge of developing funding requests to the Global Fund, as well as selecting and overseeing the principal recipients of Global Fund grants in a country. Their status, size and composition vary from country to country, yet a funding request is not eligible for Global fund grants if the CCM doesn't comply with minimum standards of transparency, oversight, composition (in particular: membership of affected communities, representation of non-governmental members), ethics and management policies.
- The <u>Partnership Forum</u> is an ongoing process aimed at mobilising persons or entities concerned about HIV/AIDS, tuberculosis, and malaria, to orient the Global Fund's strategies and policies and take part in debate, advocacy, and fundraising.
- The <u>Technical Review Panel</u> (TRP) is an independent body in charge of providing independent and evidence-based evaluation of funding requests developed by Country Coordinating Mechanisms. The TRP can either recommend a funding request for approval or reject it for reiteration. It guarantees the quality of country requests to the Global Fund.
- The Office of the Inspector General (OIG) is an independent body in charge of safeguarding the assets, investments, reputation, and sustainability of the Global Fund. Through audits, investigations and consultancy work, the Office of the Inspector General promotes good practices, reduces risk and reports abuse. Its scope includes all systems, processes, operations, functions, and activities of the Global Fund and of the programmes it supports.
- The <u>Independent Evaluation Panel</u> (IEP) is an independent body in charge of reviewing, advising, and overseeing the quality and independence of Global Fund evaluation activities. It recommends improvements to evaluation methodologies, procedures, and quality assurance mechanisms, as well as innovative ways to strengthen the rigor, conduct and use of evaluations, and improvements to knowledge-sharing and the dissemination of evaluation evidence.
- Local Fund Agents (LFAs) are local service providers engaged following calls for tenders to provide independent assessment, verification, advice, and recommendations to the Global Fund on implementation arrangements & grant performance.

iv The Paris Principles for Aid Effectiveness are:

- **Ownership**: Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.
- **Alignment**: Donor countries align behind these objectives and use local systems.
- **Harmonisation**: Donor countries coordinate, simplify procedures and share information to avoid duplication.
- Results: Developing countries and donors shift focus to development results, and results are measured.
- Mutual accountability: Donors and partners are accountable for development results.



<sup>v</sup> The Accra Agenda of Action defines four priority areas to accelerate the advancement of the Paris Principles:

- **Ownership**: Countries have more say over their development processes through broader participation in development policy formulation, stronger leadership on aid co-ordination and more use of country systems for aid delivery.
- **Inclusive partnerships**: All partners including donors in the OECD Development Assistance Committee and developing countries, as well as other donors, foundations, and civil society participate fully.
- **Delivering results**: Aid is focused on real and measurable impacts on development.
- Capacity development: Aid should enhance the ability of countries to manage their own future.

vi The <u>risk appetite framework</u> defines the actual level of risk, the target risk level and the timeframe for reaching the target in the following areas: Programme Quality; M&E; Procurement; In-Country Supply Chain; Grant-Related Fraud & Fiduciary Accounting & Financial Reporting by Countries; In-Country Governance; Quality of Health Products; Human Rights & Gender Equality; Transition; Drug & Insecticide Resistance; Ethical Misconduct and Sexual Exploitation, Abuse and Harassment; Future Funding (Donor Funding & Domestic Health Financing); Internal Operations; Integrated Grant Policies, Processes, Systems & Data; Risk Management & Internal Controls; Legal; Governance & Oversight; Organisational culture; Workforce; Reputation.