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ANNEX I

of the Commission Implementing Decision on the annual action plan for the thematic programme on Global Challenges (People) for 2021

Action Document for Control of communicable diseases: Contribution to the Global Fund

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

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| 1. Title CRIS/OPSYS business reference Basic Act | Control of communicable diseases: Contribution to the Global Fund CRIS number: 43-474 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe) |
| 2. Team Europe Initiative | No |
| 3. Zone benefiting from the action | Global. The action shall be carried out in Global Fund eligible countries. |
| 4. Programming document | NDICI Global Challenges Multiannual Indicative Programme (MIP) 2021-2027 |
| 5. Link with relevant MIP(s) objectives/expected results | Within the framework of the MIP for Global Challenges, the priority area on People focuses on global level action to address gaps and challenges in relation to health, education, gender equality, social protection, children, youth, culture and migration. This action will contribute particularly to the specific objectives 1 (Health), 3 (Gender Equality) and 4 (Youth & children) of the People's chapter of the MIP on GC. |
| PRIORITY AREAS AND SECTOR INFORMATION | |
| 6. Priority Area(s), sectors | 120 Health 130 Population Policies/Programme & Reproductive Health 160 Other Social Infrastructure and Services |
| 7. Sustainable Development Goals (SDGs) | <i>Main SDG:</i> SDG 3 Ensure healthy lives and promote well-being for all at all ages <i>Other significant SDGs:</i> SDG 5 Achieve gender equality and empower all women and girls SDG 10 Reduced inequalities |

| | | | | |
|---|---|-------------------------------------|-------------------------------------|----------------------------|
| 8 a) DAC code(s) ¹ | 12250: Infectious Disease Control 12262 : Malaria control 12263 : Tuberculosis control 13040 : STD control including HIV/AIDS 16064 : Social mitigation of HIV/AIDS | | | |
| 8 b) Main Delivery Channel @ | The Global Fund - 47045 | | | |
| 9. Targets² | <input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education ³ <input checked="" type="checkbox"/> Human Rights, Democracy and Governance ⁴ | | | |
| 10. Markers ⁵ (from DAC form) | General policy objective @ | Not targeted | Significant objective | Principal objective |
| | Participation development/good governance | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Aid to environment @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Gender equality and women's and girl's empowerment | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Trade development | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, maternal, new-born and child health | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Disaster Risk Reduction @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Inclusion of persons with Disabilities @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Nutrition @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Principal objective |
| | Biological diversity @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Policy objectives | Not targeted | Significant objective | Principal objective |

¹ DAC sectors (codes and descriptions) are indicated in the first and fourth columns of the tab 'purpose codes' in the following document: <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacandcrscodelists.htm>

² Actual contribution to targets will be confirmed ex-post based on a standardised methodology.

³ This target is specific to INTPA. If the action is marked as contributing to the Education target, please make sure the target on "Social inclusion and Human Development" is also marked.

⁴ Thematic target for geographic programmes (at least 15%) in delegated act.

⁵ For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> (go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive).

If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

| | | | | |
|---|---|-------------------------------------|-------------------------------------|--------------------------|
| 11. Internal markers⁶ and Tags⁷: | Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Connectivity @ Tags: transport people2people energy digital connectivity | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Migration @ (methodology for tagging under development) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reduction of Inequalities (methodology for marker and tagging under development) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Covid-19 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

BUDGET INFORMATION

| | |
|------------------------------|---|
| 12. Amounts concerned | <p>Budget line(s) (article, item): Budget heading 14.020240 – Global Challenges People</p> <p>Total estimated cost: USD 17 940 807 516 (2020 – 2022)</p> <p>Total amount of EU budget contribution EUR 394 793 398</p> <p>The action is co-financed in parallel by other public and private donors, according to the following indicative distribution (including specific support for the Covid-19 Response Mechanism). Team Europe contribution:</p> <ul style="list-style-type: none"> - Belgium for an amount of EUR 15 000 000 - Denmark for an amount of DKK 375 000 000 (EUR 50 000 000) - France for an amount of EUR 1.296 billion - Germany for an amount of EUR 1.290 billion - Ireland for an amount of EUR 50 000 000 - Italy for an amount of EUR 161 000 000 - Luxembourg for an amount of EUR 9 315 000 - Netherlands for an amount of EUR 156 000 000 - Spain for an amount of EUR 100 000 000 - Sweden for an amount of SKK 2 950 000 000 (EUR 274 000 000) <p>Other main contributions: USA for an amount of USD 8.180 billion ; UK for an amount of GBP 1.4 billion ; Japan for an amount of USD 840 000 000 ; Canada for an amount of CAD</p> |
|------------------------------|---|

⁶ The internal markers have been created to report on the implementation of the Commission's own policy priorities in areas where no DAC reporting tool is available. For the sake of consistency and comparability, the methodology is equivalent to the DAC markers, with three possible positions (main target, significant target, not targeted)

⁷ Methodology for additional tagging providing granularity on internal markers is under development.

| | |
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| | 945 400 000 ; Norway for an amount of NOK 2 325 200 000 ; Switzerland for an amount of CHF 64 000 000 ; Australia for an amount of AUD 242 000 000 ; Gates Foundation for an amount of USD 760 000 |
| MANAGEMENT AND IMPLEMENTATION | |
| 13. Type of financing⁸ | Indirect management with the Global Fund (assimilated to an International Organisation). |

1.2. Summary of the Action

In contributing to achieving the global commitments on health, the Commission has been a strong supporter of the Global Fund to fight AIDS, Tuberculosis, and Malaria (GFATM) since it was established in 2002. Through this AAP, the Commission will fulfil part of its political pledge to the Global Fund (GF) made by President Juncker in 2019, of EUR 550 million for the sixth replenishment (2020-2022)⁹.

This intervention contributes to a partnership designed to accelerate the end of AIDS, tuberculosis (TB) and malaria as epidemics. The Global Fund mobilizes and invests more than US\$4 billion a year to support programs run by local experts in more than 100 countries. As a partnership of governments, civil society, technical agencies, the private sector and people affected by the diseases, the Global Fund pools the world's resources to invest strategically in programs to end AIDS, TB and malaria.

The Global Fund partnership has continued to achieve great impact against HIV, TB and malaria, saving 44 million lives since 2002. In 2020 alone, despite COVID-19, 21.9 million people received lifesaving antiretroviral therapy for HIV, 188 million mosquito nets were distributed to protect families from malaria, and 4.7 million people were treated for TB. However, the knock-on effects of COVID-19 could be catastrophic. The pandemic has exacerbated existing social and economic inequalities but it has also reversed hard won gains when it comes to gender equality. Recent modelling studies show that deaths from HIV, TB and malaria could as much as double in the next year as a result of COVID-19, wiping out decades of progress.

This action will advance the achievement of the European Consensus on Development and the United Nations 2030 Agenda for Sustainable Development, SDG 3, notably on universal health coverage, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all contributes directly to the overall objective of the Global Challenges People pillar to strengthen the EU as a leading global actor in supporting the global agenda for inclusive and equal societies and human development for all, with a specific focus on women and girls, children, young people, and other populations living in vulnerable situations. It also contributes directly to the Global Challenges specific health objective to strengthen EU leadership in global health and support the achievement of the SDG 3.

Specifically, the action pursues objectives such as maximising the impact against HIV, TB and Malaria, building resilient and sustainable systems for health, and promoting and protecting human rights and gender equality.

Collaboration with EU Member States at both at GF Board level and at partner country level will be essential to achieve longer term and sustainable outcomes, pushing and supporting the GF to accelerate the integration of vertical disease programmes into primary health care, to increase focus on domestic health financing and sustainability, and to monitor and ensure that it aligns with country priorities, programmes and systems.

⁸ Art. 27 NDICI

⁹ The pledge for 2020-2022 is EUR 550 million: EUR 13 million have already been disbursed in 2021, and a remainder of EUR 685,462 from the pledge of Commissioner Mimica in 2016 of EUR 475 million for the fifth replenishment (2017-2019) still needs to be disbursed.

2. RATIONALE

2.1. Context

Human development is at the core of our multilateral commitment towards achieving the SDGs by 2030 and leaving no one behind. This means taking a human rights centred approach to guarantee that all individuals can be healthy and thrive and can have equal opportunities.

Engrained discriminations and inequalities, in all their senses, impede part of the population from exercising their rights, accessing to basic services and contributing to their full potential, putting a break to sustainable development. Gender inequality more in particular is one of the most persistent forms of inequality in the world and greatest barriers to human development; it has a multiplier effect in achieving poverty eradication. Investing in the future of people and human development is also investing in children and in youth, as key agents of development and, as such, essential contributors to the 2030 Agenda, including through their ability to innovate.

The COVID-19 pandemic has not only exacerbated existing social and economic inequalities but it has also reversed hard won gains when it comes to gender equality.

The same pandemic has also exposed the lack of global health security preparedness and also significantly hindered progress on global health. Essential health services are being interrupted, years of progress are reversed, for maternal and child health, access to family planning, immunisation, non-communicable diseases and communicable diseases. Despite impressive progress on global health in the past 20 years, only 50% of the world's population has access to basic health care, while inequalities persist within and between countries. Health systems in many partner countries remain fragile, underfunded and confronted with deadly diseases.

Founded in 2001, the Global Fund to fight HIV/AIDS, Tuberculosis and Malaria (“The Global Fund”) is a partnership between governments, civil society, the private sector and people affected by the diseases. The Global Fund raises and invests nearly USD 4 billion a year to support programs run by local experts in countries and communities most in need. The Global Fund is a financing institution, providing support to more than 100 countries in the response to the three diseases. It does not implement programs on the ground but works through partners. It is currently developing a new strategy 2023 – 2028 (which will be presented to the 46th Board meeting in November 2021) and the EC is pushing for equity and human rights having a prominent positioning.

Its support focuses on populations infected and affected by the three diseases, including vulnerable communities and key populations that government policies sometimes marginalise, discriminate or even criminalise (LGBTIQ, drug users, sex workers, etc.). All programmes are expected to adhere to human rights principles including non-discriminatory access. The success of both broad and targeted (on key populations) investments depends on functioning health systems and an effective participation of these key populations in broader sector dialogue.

The Fund is one of the biggest external health financiers in many developing countries, e.g. it contributes approximately 20% to the national health budget in Zimbabwe. While these funds focus mainly on three diseases, the Global Fund strategy includes a health systems strengthening objective, with dedicated funding. In addition, the Global Fund’s co-financing requirements encourage additional domestic investment in both the national disease programs and health systems. Effective cooperation and links with EU or like-minded health partners in countries is key to maximising and sustaining the impact of these funds, given that the Global Fund has no country presence and relies on country ownership and on its technical partners on the ground.

In the context of the COVID-19 pandemic, the Global Fund is a core partner of the Access to COVID-19 Tools Accelerator (ACT-A). They are co-convenor of both the Diagnostics Partnership (with the Foundation for Innovative New Diagnostics – FIND) and the Health Systems Connector (with the World Bank). They are also a procurement and deployment partner in the Therapeutics Partnership. Known as C19RM, their COVID-19 Response Mechanism supports countries to mitigate the impact of COVID-19 on programs to fight HIV, TB and malaria. In 2020, the Global Fund awarded nearly US\$1 billion to 106 countries to support their responses to COVID-19. With contributions from the United States, Germany and a growing number of other donors, this ‘new window’ of the GF is continuing in 2021.

2.2. Problem Analysis

The Global Fund partnership has continued to achieve great impact against HIV, TB and malaria, saving 38 million lives since 2002, including 6 million in 2019 alone. However, the knock-on effects of COVID-19 could be catastrophic. Recent modelling studies show that deaths from HIV, TB and malaria could as much as double in the

next year as a result of COVID-19, wiping out decades of progress. Human rights barriers to accessing health care services, stigma, discrimination and gender inequality continue to impede progress in the fight against the 3 diseases.

In the fight against HIV, these issues continue to make key populations and adolescent girls and young women much more vulnerable to infection. Major progresses have been made on prevention and treatment, with a decline in new HIV infections and deaths from HIV-related illnesses globally and increased access to treatment, but challenges to continued progress and to create an equitable response to the HIV epidemic still exist. Alarming, women in sub-Saharan Africa are twice as likely as their male counterparts to contract HIV. In every country in the world key and vulnerable populations are at substantially higher risk of acquiring HIV and are not benefiting equally from the scale-up of programs.

Tuberculosis was also once a global pandemic, and while it is no longer a significant public health threat in much of the developed world, it remains the world's leading infectious disease killer, preying on poor and marginalized communities. For further progress in TB, substantial investment is still required, particularly with the existing and future threat of Multidrug Resistant Tuberculosis (MDR-TB) and Extensively drug-resistant Tuberculosis (XDR-TB), and its comorbidity with HIV. Drug resistant TB constitutes a serious threat with only a quarter of the estimated half a million drug resistant TB cases treated globally and only half of those who initiated treatment were successfully treated. In many places screening for active TB is still not routinely offered to those living with HIV, and individuals diagnosed with TB are not routinely offered HIV testing.

While the achievements related to malaria are impressive, with more and more countries moving towards elimination of malaria, the fight still requires sustained investment. Over 3 billion people remained at risk of infection in 2015 and there continue to be major gaps in intervention coverage in places where the malaria burden is greatest, and with increased intervention pressure, both drug and insecticide resistance have increased. Vector-borne diseases such as malaria require strengthening inter-sectoral stakeholder collaboration and promoting integrated approaches to vector control beyond the health sector, as well as engaging and mobilizing communities and enhancing vector surveillance.

In addition, sustainable results against the three diseases can only be achieved if Global Fund investments also support the strengthening of broader health systems and encourage additional domestic financing of health and the three diseases. The existence of strong systems for health is essential to making progress against HIV, TB and malaria, and to ensuring that countries can address the varied health challenges they face from reproductive, men's, women's, children's, and adolescent health, to global health security threats, to non-communicable diseases.

Ensuring collaboration between Member States at GF Board level and at partner country level is hence essential to monitor and ensure that the Global Fund further aligns with country priorities, programmes and systems. This cooperation is already efficiently ongoing at HQ level, with regular meetings ahead the Board, and submission of joint statements, but could be further institutionalised and strengthened at country level. EU support to the WHO at country level (through the UHC Partnership Program) aims to foster effective coordination and help the partner country Ministries of Health to exercise an effective stewardship role for the health sector, including of the Global Fund and other Global Health Initiatives (GHIs). Steering these GHIs and enforcing Effective Development Cooperation behaviours depends on defining common European (EC and MS) asks, and on pooled knowledge and capacity to engage in policy dialogue and technical discussions at country level.

Main stakeholders covered by the action:

Ministries of Health. Ministries of Health sit in the Country Coordinating Mechanism (CCM, *see 4.7 Organisational set-up and responsibilities*). The CCM policy requires that funding requests be coordinated through transparent and documented processes that engage a broad range of stakeholders in the solicitation and the review of activities to be included in the funding request. In some countries, Ministries of Health are the Principal Recipients of the grants, once approved by the GFATM secretariat.

Civil Society. Civil Society Organisations, including community-based (by communities affected by the three diseases), are represented in the Board of the Global Fund. At country level, they prove to be highly effective as programme implementers, serving not only as Principal Recipients but also as sub-recipients. In particular, civil society organizations have a key role to play in reaching out to those key affected populations not usually reached by government services. They are increasingly supporting interventions that guarantee the sustainability of the response, empower key populations and promote social and structural changes in the fight against AIDS, at the same time helping to reduce stigma and discrimination. It is important to involve them at the very beginning of the programming process, as early as the development of the concept notes that lead to funding allocation. Civil Society- and

Community organisations are members of the CCMs, but some of them need effective capacity building to play their full contribution. This is being addressed through Strategic Initiatives and will be intensified in the next cycle.

Technical partners. The Global Fund is a partnership working in collaboration with technical agencies and development organizations, such as WHO, UNAIDS, Stop TB, Roll Back Malaria, World Bank, which play an important role in the Global Fund model. Their contribution include offering technical expertise, supporting resource mobilization and advocacy efforts, providing or supporting country coordination, assisting with stakeholder engagement or monitoring and evaluating of Global Fund-supported programs. These partners are involved at every level of the Global Fund. At the international level, technical partners hold five non-voting seats on the Board. At the country level, they participate in the decision-making process through the CCMs and, in some cases, serve as Principal Recipients of Global Fund grants.

Target populations. All the population living in eligible countries, specifically the ones infected or affected by the three diseases, including children under-5 and pregnant women. Key populations¹⁰ include any group which, because of stigma or discrimination, cannot access health care. In many cases these groups are disproportionately affected by AIDS, tuberculosis and malaria. They are represented in CCMs.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is to contribute to achieving the Sustainable Development Goals (specifically SDG3) and Universal Health Coverage by reducing the number of cases of ill-health, death and disability due to HIV/AIDS, malaria and tuberculosis in a way that strengthens the overall ability of recipient countries to provide the necessary health services in a sustainable manner.

This action contributes to the pooled funding of the Global Fund, and as such, contributes to the broader objectives of the Global Fund strategy for 2017-2022.

The **Specific Objectives (Outcomes)** of this action are to contribute to:

1. Maximize impact against HIV, Tuberculosis and Malaria;
2. Build resilience and sustainability of systems for health;
3. Promote and protect human rights and gender equality

The **Outputs** to be delivered by this action are:

Contributing to Specific Objective 1

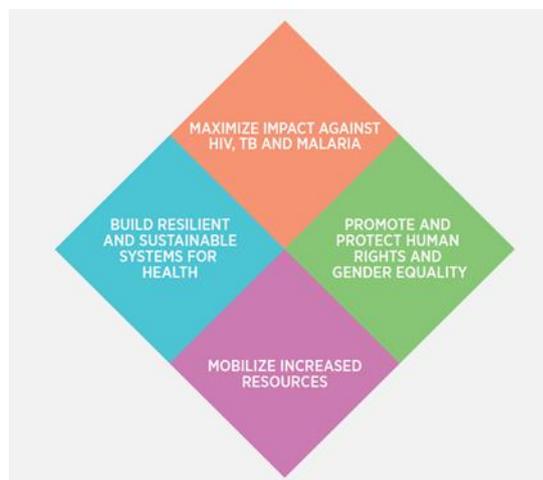
- 1.1 Increased provision of treatment and other prevention commodities,
- 1.2 Evidence-based prevention and health care service delivery interventions delivered, , sustainable responses for epidemic control supported;

Contributing to Specific Objective 2

- 2.1 Community responses and systems strengthened, platforms for integrated service delivery supported,
- 2.2 global and in-country procurement and supply chain systems strengthened,
- 2.3 critical investments in human resources for health leveraged,
- 2.4 data systems for health and countries' capacities for analysis and use strengthened;

Contributing to Specific Objective 3:

- 3.1 programs to support women and girls- including programs to advance sexual and reproductive health and rights- scaled up,
- 3.2 programs that remove human rights barriers to accessing HIV, TB and malaria services introduced and scaled-up,
- 3.3 meaningful participation of key and vulnerable populations in Global Fund-related processes supported,
- 3.4 human rights considerations integrated throughout the grant cycle and in policies and policy-making processes.



¹⁰ Further details on key populations are available at: <https://www.theglobalfund.org/en/key-populations/>

3.2. Indicative Activities

The Global Fund is an international organisation and is the beneficiary of a trust fund for which the International Bank for Reconstruction and Development (IBRD) serves as trustee. It provides resources to enable beneficiary countries and their development partners to scale up national responses to the three diseases, supporting programmes that reflect national ownership and respect country-led formulation and implementation processes. The Global Fund sets requirements that national funding requests must meet¹¹. Activities that may be supported by the Fund include:

Related to Outputs 1

- increased access to and improved quality of health services;
- provision of critical health products including drugs (bed nets, condoms, anti-retroviral, -tuberculosis and -malarial drugs, treatment for sexually transmitted infections, laboratory supplies and materials, diagnostic kits);
- strengthening community systems for increased advocacy, monitoring and service delivery capacity;
- community-based programmes including care for the sick and orphans;

Related to Outputs 2

- training of personnel and community health workers;
- supporting countries to invest in data systems able to accurately inform effective programs for key and vulnerable populations;

Related to Outputs 3

- addressing human rights policy and barriers that impact access to health services;
- behaviour change and outreach interventions.

3.3. Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening: Not applicable

Outcomes of the EIA (Environmental Impact Assessment) screening: Not applicable

Outcome of the CRA (Climate Risk Assessment) screening : Not applicable

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the Global Fund invests in gender transformative approaches for equitable access to life-saving services and advance gender equality. It works with communities of women and girls not as beneficiaries of Global Fund supported programs, but as the agents of change and leaders that will bring us closer to our shared goal of health care for all. Addressing gender inequality is indeed essential as it drives increases in infection rates, and contributes to differential access to health services for men, women and transgender people. Gender inequality reduces the ability of women and girls to protect and keep themselves healthy, and access social services like education.

Human Rights

Human rights and gender-related barriers to health have long blocked national responses to HIV, TB and malaria, including: stigma and discrimination; gender inequality and violence; punitive practices, policies and laws; and social and economic inequality. The Global Fund supports programs that empower affected populations to know their health-related rights, mobilize around these rights, and demand changes that improve delivery of services in health facilities and in communities. Thus, these programs also serve to improve health systems and to mobilize and support communities to be part of health systems and decision-making. Its Sustainability, Transition and Co-financing Policy now requires all countries, regardless of income level, to include programs to address these barriers in their proposals.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0.

Democracy

Not targeted by this action

¹¹ https://www.theglobalfund.org/media/4755/fundingmodel_applicanthandbook_guide_en.pdf

Conflict sensitivity, peace and resilience

Not targeted by this action

Disaster Risk Reduction

Not targeted by this action

Other considerations if relevant

N.A.

3.4. Risks and Lessons Learnt

| Category | Risks | Likelihood | Impact | Mitigating measures |
|-----------------------------|---|------------|---------------|--|
| People and the organisation | With the Global Fund funding model and allocation to high impact countries, risks of mismanagement and misuse of funds | Low | Medium | The Global Fund Board has approved a three line Risk Management Policy and Risk Appetite Statements. Regular reporting and an annual assurance opinion are provided to the Board by the Chief Risk Officer (representing the 2 nd line) and the Inspector General (representing the 3 rd line). . Improved internal and fiduciary controls are in place. |
| People and the organisation | All stakeholders are included in the Country Coordinating Mechanism (CCM), but risk of limited effective contribution for communities and key populations | Low | Medium | The CCM Policy requires engagement of key populations in the development of funding requests. This must be documented and compliance is assessed. Continued engagement throughout the grant lifecycle is established as a principle. Capacity building is a component of the CCM strengthening strategic initiative; Effective involvement of all stakeholders is an area of work that is the focus for the new strategy |
| External environment | Risk of health systems support instead of strengthening | Low | Medium | The EC liaises with EU MS to establish joint positions in the GFATM Board and also with other like-minded constituencies, in order to exert maximum influence in shaping its strategy. KPIs related to Health System Strengthening will be included in the next strategy. |

A number of risks are identified for the Global Fund in the coming years particularly for the way it chooses to operationalise its resources to achieve its objectives. One set of these risks is associated with working in partnerships. Specifically, there may be a need for trade-offs between, on the one hand, working with others more cooperatively within the framework of strengthening country health systems while on the other hand, fully achieving disease specific organisational mandates and all strategic objectives (including full fund disbursement and continuously reaching ambitious KPIs).

Assumptions

- Political continuity exists in countries involved.
- Paris Declaration and Busan Partnership for Effective Development Cooperation agenda endorsed and supported by the governments involved and by other partners at country level.

Lessons Learnt

The Global Fund has fairly efficient organisational arrangements, and effective admin and financing systems. As an organisation, it also has many of the attributes that are critical for adaptation and for managing periods of uncertainty.

These include responsiveness, a culture of internal debate, transparency around data (the Global Fund is a member of the IATI Registry and has been ranked highly¹²), lessons learned and an ability to learn, and a responsive approach that enables a rapid shift as contexts change, as demonstrated by their rapid positioning during the pandemic. Many of the barriers to making faster progress on vertical diseases concern bigger problems that require engagement well beyond vertical disease programmes, which will also be the focus on the next Global Fund strategy 2023-2028.

3.5. The Intervention Logic

The underlying intervention logic for this action is that it contributes directly to the overall objective of the GC People pillar to strengthen the EU as a leading global actor in supporting the global agenda for inclusive and equal societies and human development for all, with a specific focus on women and girls, children, young people, and other populations living in vulnerable situations. This action contributes to a partnership designed to accelerate the end of AIDS, tuberculosis and malaria as epidemics. The Global Fund mobilizes and invests more than US\$4 billion a year to support programs run by local experts in more than 100 countries. As a partnership of governments, civil society, technical agencies, the private sector and people affected by the diseases, the Global Fund pools the world's resources to invest strategically in programs to end AIDS, TB and malaria.

It also contributes directly to the GC specific Health objective to strengthen EU leadership in global health and support the achievement of the SDG 3.

The logic of intervention involves:

- strategic investment in areas with high potential for impact and strong value for money, and fund based on countries' national strategies;
- funding determined by country envelopes that comprise a fixed and a variable amount. The country envelope is determined by need (disease burden, ability to pay) and other important variables (co-financing, other external financing, past performance, etc.);
- inclusive dialogue with all stakeholders in the grant development at country level, through the Country Coordinating Mechanisms.

Maximizing the impact of investments for HIV, TB and malaria requires differentiated approaches for diverse country contexts, increased alignment, and planning for sustainability of programs. Countries will be supported to implement and sustain impactful programs targeting the three diseases and health system strengthening from both a programmatic and financial perspective over the longer term.

In order to achieve the longer term outcome, the EU, through its seat in the Board and through a Team Europe approach, will ensure that the Global Fund accelerates progress on integration of vertical disease programmes into primary health care, ensures wider participation in the CCM by health systems and UHC partners including Ministries of Finance, and increases focus on domestic health financing and sustainability. In addition to increased and better coordinated investments to strengthen health systems with the other global health initiatives and agencies, the EU also expects a more practical framework for these investments, including agreed joint monitoring, tracking and results measurements.

The EU will also use its seat in the governing structures to promote the mainstreaming of climate and environment considerations, as well as gender and sexual and reproductive health and rights¹³, in the work of the Global Fund and in the national programmes that it finances, in line with the ambition of the Green Deal and the Gender Action Plan III (GAPIII). More specifically: promoting enhanced attention of health systems to the environmental determinants of health, including climate change adaptation measures (malaria incidence notably is strongly related to climatic conditions), attention to pollution, and promoting a One Health approach in line with recent EU and G20 commitments.

¹² <https://www.publishwhatyoufund.org/the-index/2020/global-fund/>

¹³ The EU remains committed to the promotion, protection and fulfilment of all human rights and to the full and effective implementation of the Beijing Platform for Action and the Programme of Action of the International Conference on Population and Development (ICPD) and the outcomes of their review conferences and remains committed to sexual and reproductive health and rights (SRHR), in this context. The new European Consensus on Development: our world, our dignity, our future, 26.06.2017

3.6. Logical Framework Matrix

This action contributes to the pooled funding of the Global Fund, and as such, contributes to the broader objectives of the Global Fund strategy for 2017-2022. The Global Fund’s Key Performance Indicator framework, which will be the basis for the monitoring and reporting of this action, is presented below for reference. The logframe below is based on this framework and includes selected indicators, with their targets for each of the outcomes.

Global Fund’s 2017 – 2022 KPI Framework:

| Strategic Targets | Strategic Targets | | | |
|----------------------|---|---|---|---|
| | 1 Performance against impact targets | | 2 Performance against service delivery targets | |
| Strategic Objectives | Maximize Impact Against HIV, TB and malaria | Build resilient & sustainable systems for health | Promote and protect human rights & gender equality | Mobilize increased resources |
| Strategic vision | Invest funds to maximize portfolio impact | Improve the performance of strategically important components of national systems for health | Reduce human rights barriers to service access; & Reduce gender and age disparities in health | Increase available resources for HIV, TB & Malaria; & Ensure availability of affordable quality-assured health technologies |
| Strategic KPIs | <ul style="list-style-type: none"> 3 Alignment of investment & need 4 Investment efficiency 5 Service coverage for key populations | <ul style="list-style-type: none"> 6 Strengthen systems for health <ul style="list-style-type: none"> a) Procurement b) Supply chains c) Financial management d) HMIS coverage e) Results disaggregation f) NSP alignment 7 Fund utilization | <ul style="list-style-type: none"> 8 Gender & age equality 9 Human rights <ul style="list-style-type: none"> a) Reduce HR barriers to services b) KP & HR in middle income countries c) KP & HR in transition countries | <ul style="list-style-type: none"> 10 Resource mobilization 11 Domestic investments 12 Availability of affordable health technologies <ul style="list-style-type: none"> a) Availability b) Affordability |

| Results | Results chain (a): Main expected results (maximum 10) | Indicators (a): (at least one indicator per expected result) | Baselines (values and years) | Targets (values and years) | Sources of data | Assumptions |
|-----------|--|--|---|---|--|-----------------------|
| Impact | To contribute to achieving the Sustainable Development Goals (specifically SDG3) and Universal Health Coverage by reducing the number of cases of ill-health, death and disability due to HIV/AIDS, malaria and tuberculosis | 1. Estimated number of lives saved, disaggregated by region 2. Percentage reduction in new infections/cases (average rates across the 3 diseases), disaggregated by region | 2017 for current strategy / 2001 for long term impact (LTI) 1. 22 million (in 2017) | 1. 29 million (end 2022) 2. 38% (end 2022) | -GF reports -GF partners reports: WHO, UNAIDS, Stop TB, RB Malaria -DHIS | <i>Not applicable</i> |
| Outcome 1 | Impact against HIV, Tuberculosis and Malaria maximised | <i>Disaggregated by gender, age and region:</i> 1.1 Number of people living with HIV currently receiving antiretroviral therapy 1.2 Percentage of notified cases of all forms of TB - new and relapses-, among all estimated cases 1.3 Number of LLINs distributed to at-risk-populations | 2017 for current strategy / 2001 for LTI 1.1 11 million in 2017 1.3 795 million in 2017 | 1.1 23 million (22-25) by 2022 1.2 73% (62-85%) by 2022 1.3 1,350 million (1,050-1,750) by end 2022 | -GF reports -GF Partners reports: WHO, UNAIDS, Stop TB, RB Malaria -DHIS | |
| Outcome 2 | Resilient and sustainable systems for health strengthened | <i>Indicators disaggregated by region:</i> 2.1 Supply chains: percentage of health facilities with tracer medicines available on the day of the visit; 2.2 HMIS: Percent of high impact countries with fully deployed, functional HMIS; 2.3 Percentage of funding requests rated by the TRP to be aligned with National Strategic Plans | 2017 for current strategy / 2001 for LTI | 2.1 Target to be revised 2.2 70% by end 2022 2.3 90% by end 2022 | -GF reports -GF Partners reports: WHO, UNAIDS, Stop TB, RB Malaria -DHIS | |
| Outcome 3 | Human rights and gender equality promoted and protected | 3.1 Percentage reduction in HIV incidence in women aged 15-24, disaggregated by region 3.2 Percentage of investment in signed HIV and HIV/TB grants dedicated to programs to reduce human rights barriers to access | 2017 for current strategy / 2001 for LTI | 3.1 58% (47-64%) over 2015-2022 period 3.2 Target to be revised | -GF reports -GF Partners reports: WHO, UNAIDS, Stop TB, RB Malaria -DHIS | |

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner countries.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 42 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁴.

4.3.1. Indirect Management with an international organisation

This action may be implemented in indirect management with the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM). This implementation entails the supervision of grants implemented by Principal Recipients (Ministries of Health, INGOs/NGOs, UN agencies). This implementation is justified because of the GFATM's specific international mandate and its proven technical capacity to identify and implement high impact interventions in the area of the communicable diseases.

The entrusted entity would carry out the following budget-implementation tasks: undertaking the analysis, selection and concluding contracts of grants with Principal Recipients and making payments resulting from those contracts. The GFATM will use the pooled resources of all donors for the funding of these contracts.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

| Indicative Budget components | EU contribution (amount in EUR) | Third-party contribution, in USD |
|-------------------------------------|--|---|
|-------------------------------------|--|---|

¹⁴ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

| | | |
|--|--|----------------|
| Indirect management with the Global Fund to fight Aids, Tuberculosis and Malaria (GFATM) | 394 793 398 | 17,940,807,516 |
| Evaluation – cf. section 5.2 Audit – cf. section 5.3 | N.A. (will be covered by another Decision) | N.A. |
| Contingencies | N.A. | N.A. |
| Totals | 394 793 398 | 17,940,807,516 |

4.6. Organisational Set-up and Responsibilities

The Global Fund is governed by an international Board consisting of twenty voting members and seven non-voting members. The Commission holds one of these board seats. Voting members include government representatives from donor and recipient countries and representatives of affected communities, private sector businesses, philanthropic foundations and NGOs. Representatives of UNAIDS and the World Health Organisation (WHO) also participate as ex-officio (non-voting) members, as does the World Bank, which serves as the Fund’s trustee. The Board is advised by three standing committees¹⁵ set up to address specific areas of strategy development, fiduciary oversight, and audit.

The core functions of the Board are: strategy development; governance oversight; commitment of financial resources; assessment of organisational performance; risk management; partnership engagement, resource mobilisation and advocacy. All decisions on specific areas of strategy development, fiduciary oversight, and audit are approved by the Board of the Global Fund, based on advices from the specific committees. The Fund’s Secretariat is responsible for day-to-day operations, including mobilising resources from the public and private sectors, managing grants, providing financial, legal and administrative support, and reporting on the Fund’s activities to the Board and the public.

To support the Fund in financing effective programmes, the Board relies on an independent panel of international experts on health and development. The Technical Review Panel (TRP) reviews eligible grant proposals on grounds of technical merit (soundness of approach, feasibility and potential for sustainability). Based on this review, the TRP recommends programmes for funding to the Board. The TRP mandate also includes advising the Board and Strategy Committee and reporting on lessons learned to inform strategy, policy and operations.

Country Coordinating Mechanisms (CCMs) are country-level partnerships tasked to develop and submit concept notes to the Fund based on existing strategies and priority needs agreed at national level. After the approval of grants, they are mandated to oversee grant implementation and PRs. CCMs have often been set up and run as separate entities. They include representatives from both the public and private sectors, including governments, multilateral or bilateral agencies, NGOs, academic institutions, private businesses and people living with the diseases.

EU Delegations are in a number of cases members of CCMs, playing an active role in certain countries, in collaboration with the Member States. For each grant, the CCM nominates one or more public, private, or civil society organisation as the Principal Recipient, which is responsible for grant implementation, in particular on the financial and programmatic components, and on the reporting on progress and results obtained.

The Fund does not have a country-level presence beyond its offices in Geneva, Switzerland. Instead, it hires Local Fund Agents (LFAs) to oversee, verify and report on grant performance. They evaluate and monitor activities before, during and after the implementation of a grant. LFAs are selected through a competitive bidding process. The Fund normally has one LFA in each country where it has approved a grant. This gives it access to local knowledge that may be relevant to grant performance.

The Global Fund has a risk mitigation strategy based on a 3-line defense, escalation mechanism. The first line is at country level, with CCMs and LFAs. The second is with the Risk Management Department at the Global Fund Secretariat, and eventually the third line is the Office of the Inspector General.

The Fund’s accounts are audited annually by independent auditors.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

¹⁵ Strategy Committee ; Audit and Finance Committee ; Ethics and Governance Committee

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

Performance measurement will be based on the Global Fund's Key Performance Indicator framework for 2017-2022. In addition to the regular reports from the OIG (see 5.3 below), the Global Fund publishes an annual result report, shared with all stakeholders. This report is a core component of the performance measurement.

The Fund has well-established mechanisms for monitoring, control and oversight, and provides regular and detailed reports to partners and the Board while publishing the details of funding requests and awards on its website. In addition to the regular reports from the OIG, the Global Fund publishes an annual result report, shared with all stakeholders. This report is a core component of the performance measurement for the Commission. The day-to-day technical and financial monitoring of the Fund operations is a continuous process, and part of its responsibilities.

The Commission may undertake additional project monitoring visits both through its own staff in Headquarters and EU Delegations and through independent consultants recruited directly by the Commission for independent monitoring reviews.

The Commission also uses the reports compiled by Aidspace. Aidspace is an international NGO working as an independent observer of the Global Fund. It provides the Global Fund's stakeholders with information and analysis to understand and evaluate the Global Fund's progress, and aims to influence the transparency and effectiveness of the Global Fund at the global and country-level.

5.2. Evaluation

Having regard to the nature of the action, a final evaluation will not be carried out for this action or its components. The Commission may, during implementation, decide to undertake one or several evaluations focusing on specific Global Fund operations or its compliance with Effective Development Cooperation principles. The evaluation reports shall be shared with the Global Fund and other key stakeholders following the best practice of evaluation dissemination. The Fund and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, jointly decide on the follow-up actions to be taken and any adjustments necessary.

The individual country grants are evaluated as part of the grant agreements between principal recipients and the Fund. The Fund also commissions independent evaluations of the grants, and it is evaluated itself at five-year intervals.

The Commission also relies on the independent evaluations produced by the Technical Evaluation Reference Group (TERG). The TERG is an advisory body providing independent evaluations and advice to the Board on issues that, in its view, require the Board's attention. It advises the Secretariat on evaluation approaches and practices, reporting procedures and other technical and managerial aspects of monitoring and evaluation at all levels. It also assesses and reports on the monitoring and evaluation work conducted by the Global Fund Secretariat.

The Commission is also becoming (as of September 2021) an observer in the Multilateral Organisation Performance Assessment Network (MOPAN) for one year, giving us access to qualitative assessments of multilateral organisations and processes. MOPAN is currently conducting an assessment of the Global Fund. The EU will use the analysis and conclusions of this upcoming assessment.

5.3. Audit and Verifications

The Global Fund's accounts are audited annually by independent auditors.

The Office of Inspector General (OIG) operates as an independent unit of the Fund, reporting directly to the Board. The primary purpose of the OIG is to provide the Global Fund with independent and objective assurance over the design and effectiveness of controls or processes in place to manage the key risks impacting the Global Fund's programs and operations, including the quality of such controls and processes. The OIG assists the Fund in protecting assets and preventing and detecting fraud, waste, abuse, malfeasance or mismanagement. The OIG safeguards the assets, investments, reputation and sustainability of the Global Fund by ensuring that it takes the right action to accelerate the end of AIDS, tuberculosis and malaria as epidemics. Its activities cover: internal audit, in-country reviews, assurance validation, inspections, investigations, counter-fraud, consulting and other services.

The European Anti-Fraud Office (OLAF) has an administrative agreement with the OIG of the Global Fund that includes early exchange of sensitive information.

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements. The financing of such audit shall be covered by another measure constituting a financing decision.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

APPENDIX 1 REPORTING IN OPSYS

An Intervention¹⁶ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention is defined in the related Action Document and it is revisable; it can be a(n) (group of) action(s) or a (group of) contract(s).

Tick in the left side column one of the three possible options for the level of definition of the Primary Intervention(s) identified in this action.

In the case of ‘Group of actions’ level, add references to the present action and other action concerning the same Primary Intervention.

In the case of ‘Contract level’, add the reference to the corresponding budgetary items in point 4.5, Indicative Budget.

| | | |
|---|-------------------|--|
| Option 1: Action level | | |
| <input checked="" type="checkbox"/> | Single action | Present action: all contracts in the present action |
| Option 2: Group of actions level | | |
| <input type="checkbox"/> | Group of actions | Actions reference (CRIS#/OPSYS#): |
| Option 3: Contract level | | |
| <input checked="" type="checkbox"/> | Single Contract 1 | Indirect management with the Global Fund to fight Aids, Tuberculosis and Malaria (GFATM) |

¹⁶ [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).

