



6th EGC Meeting – March 13-15, 2018

The Eastern and Southern Africa, and West and Central Africa constituencies held their cluster learning network meetings for the respective regions in Johannesburg, Kampala, Abidjan, and Dakar between 26th February and 9th March 2018. The Constituencies reviewed and discussed some of the critical issues and topics planned for discussion and decision at the 6th Ethics and Governance Committee meeting.

The Constituencies wish to bring to the attention of the Ethics and Governance Committee the following issues that affect Africa's progress to end the three epidemics and/or have the potential to reverse the gains so far achieved if not addressed effectively:

1. CCM Evolution:

The African Constituencies took serious note of the results of the CCM Evolution consultations and progress made on the discussions and recommendations to ensure CCMs are robust to drive not only the strategic direction of national responses but the overall governance for the three diseases with the health sector. The constituencies also urged Global Fund to accelerate the speedy and timely conclusion of the review process and coming up with a clear implementation framework for the recommendations from the Addis meeting held last year.

We welcome the concept of three CCM maturity levels and we strongly encourage measures to foster and establish systematic linkages of CCMs to other national bodies and health platforms across all maturity and differentiation levels. We emphasise the need for co-financing mechanism of the CCM involving the host governments and development partners' in-country is a way forward that promotes country ownership and the sustainability of CCMs.

The African constituencies proposed that Global Fund consider options of ensuring that the CCM model, should strongly plug into the country systems on health policy and development. This means CCMs going beyond being simply a representation of the implementing stakeholders and Global Fund investments in-country and, but rather also a mechanism for analysing trends, building synergies for investments, and service delivery in the health sector in relation to the three epidemics.

There is need to consider tools that would help CCMs integrate in the national health policy frameworks as well as extend the Global Fund philosophy of representation beyond CCMs. The sustainability of CCMs lies within the integration of its approaches in national health policy frameworks.

In addition, tools that help CCMs better understand their national and subnational contexts as well the disease trends are critical to strengthening their oversight roles. We noted with keen interest tools like Prospective Country Evaluations,

modelling of allocative efficiency models and generation of accurate data as tools that can build the capacity of CCMs to effectively play their oversight roles.

The Secretariat should provide clear documentation on lessons learnt from other countries on how CCMs can effectively (in varied contexts) to integrate into the national and regional technical policy decision frameworks and policies as well as develop mechanism for co-opting and drawing expertise of the private sector, and international partners to undertake effective strategic oversight and coordination.

2. Funding for CCMs:

The Constituencies noted the challenges that countries continue to face with having adequate funding to have adequate capacity to undertake oversight function for the Global Fund grants. Moving forward we request review of the policy on funding of CCM which is currently capped under OPEX to ensure adequate resourcing for the changes recommended by the CCM evolution road map. As part of CCM evolution, we strongly recommend the Secretariat to also explore innovative models, learning and sharing on financing the CCM work within the multi-sectoral approach at country and regional level.

3. Strengthening country ownership and partnerships:

The Africa Constituencies observed that our goals cannot be achieved without putting country ownership and partnership back at the core of the Global Fund model. Current country ownership has been narrowed to domestic financing and in the process missing the opportunity for Global Fund to support countries in building strong country ownership using the CCM as the entry point. Country ownership must remain the constant focus in all our actions because it is the guarantee for sustainable programs. Therefore, we emphasize the need for the discussion and policy guidance on CCM evolution to take into account the fact that CCMs can play a central role in promoting the Global Fund principles for effective utilization of global health resources at county level. Therefore, within the context of CCM evolution there is need for the Secretariat to clearly provide mechanisms to match this important role of CCMs within the Global Fund model and how CCMs can coordinate this dialogue at country level while strengthening collaboration with other organizations involved in the health sector.

4. Code of conduct:

We recommend that the issues of code of conduct (COC) be addressed within the context of CCM evolution as it. We are concerned that the current definition of conflict of interest is narrow as it is limited to only professional or personal financial interest; and mechanisms to assess and monitor the completeness and accuracy of declared conflicts of interest are not in place within most CCMs. The implications of the inability to manage and/or take action in response to identified conflict of interest increases risks of CCM members being often perceived to put the interests of their constituencies over the interests of the Global Fund and consequently negatively affecting the effectiveness of the oversight role of CCMs.

5. Risk Management and Risk Appetite Frameworks:

The Africa Constituencies have noted with concern that while Risk management has received increased visibility at the Board level there still exist inadequate mechanisms to oversee risk matters and challenges remain in finding an effective mechanism for overseeing risk management. There is need to ensure that the Board's attention on risk management focuses not only on sub-optimal oversight with limited focus on wider risk issues but beyond fiduciary risk. The mechanisms to monitor and follow-up risk issues also needs to be strengthened. We therefore emphasize need for the EGC to support the board to provide direction and clearly articulated guidance on the definition on risk appetite and risk tolerance for the Global Fund investments across all levels: Board, Senior Management, Secretariat staff, CCM, PR, and FMs in order to effectively hold all levels accountable for effective risk management.

A risk appetite framework that provides some space and/or discretion to make decisions that lean more toward programming assurance as opposed to a focus on financial assurance will go a long way in improving the working relationship and reducing the tension between Country Teams and CCMs. This will help foster an environment where both sides will begin to learn from each other. This could go a long way in strengthening the capacity of CCMs.