Challenging Operating Environments

May 2018
Geneva, Switzerland
Integrating COEs into the Global Fund Strategy

Key messages from the TERG Review on Fragile States (2014)

- Determine a country classification for COEs
- Take a country-by-country approach understanding the political, economic, social and governance contexts for each COE
- Establish an approach for acute emergencies
- Engage partners and strengthen knowledge management
- Be flexible and not prescriptive in the M&E approach in COEs
- Human Resources for COEs at Global Fund

Using the recommendations from the TERG Review and feedback from partner and country consultations, a principles based approach for COEs was determined for the 2017-2022 Global Fund Strategy to provide flexibility, accountability and expanded partnerships for greater impact.

**Vision & Scope**

**MAXIMIZE IMPACT AGAINST HIV, TB AND MALARIA**

**BUILD RESILIENT AND SUSTAINABLE SYSTEMS FOR HEALTH**

**PROTECT AND PROMOTE HUMAN RIGHTS AND GENDER EQUALITY**

**MOBILIZE INCREASED RESOURCES**

Improve effectiveness in challenging operating environments through innovation, increased flexibility and partnerships.

In COEs, ensure access to essential services and/or maximize coverage and impact, adapting to the evolving country contexts in a timely manner and improve grant implementation:

a) Use flexibilities to tailor approaches for grant design, management and assurance

b) Systematically embedding operational collaboration with development, humanitarian, private sector and non-traditional partners

c) Build a culture of informed risk taking and of implementing systemic learning and knowledge sharing
Operationalizing the COE Policy

**Challenging Operating Environments**
*Countries or unstable parts of countries, or regions, characterized by weak governance, poor access to health services, limited capacity and fragility due to man-made or natural crisis*

- **Innovation**
  Use new approaches and mechanisms, e.g. in procurement, service delivery, etc. building on lessons learned to address or circumvent challenges

- **Flexibilities**
  Apply policy exceptions to reduce administrative burden & increase agile response to changes in contexts, through contingency planning and reprogramming

- **Partnerships**
  Strengthen in-country governance by optimizing partnerships and coordination; foster integrated service delivery; and improve technical assistance
The COE Classification Process

The Global Fund classifies COEs based on an external risk index (ERI), updated annually by the Secretariat. The ERI methodology derives the classification of countries as ‘Very High’, ‘High’, ‘Medium’ and ‘Low’ risk.

The COE list is based on the countries classified under the “very high risk” category of the ERI.

The ERI is a composite index that is derived by compiling data from 10 authoritative indices (e.g. Fragile States Index, UN’s Safety & Security Index…).

Ad-hoc adjustments can be made depending on emerging needs:
- Post-crisis countries may remain categorized as COEs for one additional allocation period, in order to allow for restoration of weakened health systems; and
- Countries that face sudden emergency situations or disease outbreaks may be considered on a case-by-case basis and categorized as COEs.

The COE list is based on the countries classified under the “very high risk” category of the ERI.

The list of COEs is determined for every allocation period and reviewed annually with the possibility to add countries based on updates to the ERI and emergency status by the EGMC.
### The 2017-2019 Global Fund COE List

#### Focused: allocation < 75m
- Iraq
- Palestine
- Yemen
- Lebanon
- Mauritania

#### Core: allocation >75m < 400m
- Afghanistan
- Burundi
- Central African Republic
- Chad
- Eritrea
- Guinea
- Guinea-Bissau
- Haiti
- Liberia
- Niger
- Sierra Leone
- Somalia
- South Sudan
- Ukraine

#### High Impact or allocation > 400m
- Congo, DR
- Nigeria
- Sudan
- Pakistan

#### 26.8% of the 2017-2019 Global Fund Allocation is in COEs

- **High Impact COEs**: 73.20%
- **Non-High Impact COEs**: 16.97%
- **Rest of Portfolio**: 9.83%

Notes: Based on 2017-2020 Global Fund Allocation
27% of the global disease burden of the 3 diseases is in COE

Disease burden [% of global disease burden]

**Overall**
- Rest of Portfolio: 26.9%
- COEs: 73.1%

**HIV**
- Rest of Portfolio: 13.0%
- COEs: 82.5%

**Tuberculosis**
- Rest of Portfolio: 15.4%
- COEs: 79.2%

**Malaria**
- Rest of Portfolio: 15.3%
- COEs: 29.9%

Notes: Based on 2017-2020 Global Burden of Disease data
Flexibilities Overview

Total flexibilities approved by the Executive Grant Management Committee in 2017

Number of COE CTs that will have presented a strategy and flexibilities to the ORC (out of 17 non-HI COEs)

Number of COE CTs that requested flexibilities to the ORC and to EGMC (out of 14 that presented to ORC)

Regional breakdown:
- MENA: 5 CTs
- LAC: 1 CT
- Central Africa: 3 CTs
- Western Africa: 4 CTs
- Asia: 1 CT

Sample flexibilities approved

1. Flexibility in the distribution, reporting and verification mechanisms in community and mass distribution settings, to adapt to highly volatile scenarios (S. Sudan) where proof of distribution (fingerprints) may not be adequate for a vulnerable population (i.e. IDPs)

2. Grant Revisions [(a) Contingency Planning and (b) Budgetary threshold increase] to allow for a ‘Plan B’ to be actioned more rapidly through a simplified procedure and allow for more agile management of the portfolio

It is to be noted that flexibilities requested are mostly related to program management and implementation arrangements
**Emergency Fund**

Quick access to funds to enable the Global Fund to fight the three diseases in emergency situations.
- For activities that cannot be funded through the reprogramming
- UN** classified L2 and L3 emergencies of WHO*** classified Grade 2 and 3 emergencies

Provide and continue prevention and treatment and other essential services on three diseases during emergencies.

Not for general humanitarian purposes that go beyond the Global Fund mandate (HIV, TB and Malaria)

Short-term and time-bound (up to 1 year) funding for:
- ✓ provision/distribution of drugs/commodities (primary use)
- ✓ supporting risk and situation assessments specific to the three diseases.
- ✓ Limited incremental operational costs of service delivery and staffing

Emergencies usually involve cross border movement. Emergency Fund allows ineligible countries being affected by the flow of refugees could thus receive funding (e.g. Syrian refugees in ‘ineligible’ neighboring countries like Jordan could still be covered by the Emergency Fund)

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*Emergency Fund Guidelines* were developed and approved by EGMC in August 2015, revised in November 2015.

**The UN uses the Inter-Agency Standing Committee (IASC) emergency classifications.**

***This grading relates to the health impact of the emergency situation***
## Progress on the Emergency Fund

### $30 million for Allocation Period 2014-2016

### $21.3 million committed

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<tr>
<th>Country</th>
<th>Amount (US$)</th>
<th>Description</th>
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</table>
| Liberia     | $1.62 M      | • Procurement of 448,084 LLINs to complement the Liberia mass campaign LLIN gap due to a change in the distribution strategy linked to the Ebola emergency.  
  • Top-up to existing grant implemented by Ministry of Health and Social Welfare (November 2014) |
| Sierra Leone| $1.63 M      | • Financing of the ACT gap as part of the Mass Drug Administration campaign in the context of the Ebola crisis.  
  • Top-up to the existing malaria grant implemented by the Ministry of Health (November 2014) |
| Syria       | $6.55 M      | • To enhance tuberculosis prevention, diagnosis and treatment among Syrian refugees in Lebanon and Jordan.  
  • Two grants (Lebanon: US$ 3,813,432; Jordan: US$ 2,464, 509; Pre-financing for MER: US$ 272,256) are being implemented by IOM (January 2015, Costed Extensions approved in March 2016 and August 2016) |
| Nepal       | $2.13 M      | • To respond to HIV following the earthquake in Nepal.  
  • Top-up to the existing HIV grant implemented by Save the Children. (May 2015) |
| Ukraine     | $7.27 M      | • To prevent disruptions in the delivery of essential HIV-related commodities and services to Donetsk and Lugansk regions of Ukraine, which are affected by the military conflict and are out of the control of the Government of Ukraine.  
  • The grant is managed by UNICEF as a new grant. (July 2015, No-Costed Extension approved in June 2016, Costed extension approved in December 2016) |
| Rwanda      | $2.09 M      | • To support Burundian refugees’ access to services in all 3 diseases, incl. HIV Testing and Counselling; PMTCT; ART and treatment for opportunistic infections; IRS at Mahama Camp and Reception Centres; Screening, investigation and treatment services to patients with TB.  
  • The grant is managed by UNHCR as a new standalone grant. (December 2016) |
Progress on the Emergency Fund

$ 20 million for Allocation Period 2017-2019
$ 3.5 million committed

| Uganda (US$ 3.5 M) | A top-up to the existing grant in order to cover the malaria commodity gap for refugees in Uganda as a result of the emergency in South Sudan  
|                  | Top-up to existing grant implemented by the government (MoFPED) (September 2017) |
### Intensive efforts in 20 countries to reduce human rights-related barriers to services

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<th>Region</th>
<th>HIV focus (all)</th>
<th>TB focus</th>
<th>Malaria focus</th>
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<td>HI Africa 1</td>
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<td>HI Africa 2</td>
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<td>S&amp;E Asia</td>
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**KPI 9a**

**Vision:** Human rights barriers to services are reduced, resulting in improved uptake of and adherence to treatment and preventions programs.

**Measure:** # of priority countries with comprehensive programs aimed at reducing human rights barriers to services in operation

**Target:** 4 for HIV; 4 for TB