DEVELOPING COUNTRY NGO DELEGATION
GLOBAL FUND TO FIGHT AIDS, TB & MALARIA

Key Outcomes from the 55th Global Fund Board Meeting

The Developing Country NGO (DCNGO) Delegation developed this report for civil society and community groups who did not attend the 55th Global Fund Board Meeting. This report focuses on key Board agenda items: Board decision points; OPEX; Next Generation Market Shaping and Non-Global Fund Financed Procurement (NGFPM); the Executive Director Nomination Committee progress update; governance effectiveness; the approach to evidence and learning; and the Global Fund–Gavi collaboration.

This document does not reflect the opinions of the Global Fund Secretariat or the Global Fund Board.

1. Overview

The 55th Global Fund Board Meeting took place at a pivotal moment for global health. The countries supported by the Global Fund are navigating an increasingly difficult environment, with growing geopolitical tensions, shrinking development assistance, competing global priorities, and rising pressure to sustain essential HIV, TB and malaria services with fewer resources. These broader shifts have also affected the Global Fund, requiring it to adapt to a more constrained and uncertain operating environment while remaining committed to supporting countries and protecting the progress made where still possible over the past two decades.

GC8 STRATEGIC SHIFTS:

- Set grant cycle-specific transition pathways: Transition timelines with predictable financing; focus on most challenging sustainability issues.
- Place greater priority on lowest income & highest burden settings: Shift GF allocations to where disease progress affects global progress and domestic resources are most limited.
- Programmatic prioritization: Rigorous program prioritization; market shaping for introduction & scale of new innovations.
- Integration: Integrated program delivery within primary health care.
- Community systems & financing: Community systems integration and financing.
- Grow & optimize domestic resources: Differentiated co-financing approaches and optimize pooled procurement market access by domestic markets.

While countries are completing the final year of Grant Cycle (GC) 7, some have submitted their GC8 funding requests within an ambitious three-month timeframe. At the time of the Board Meeting, the Technical Review Panel (TRP) had completed its review of the first Window 1 funding requests, assessing how countries had responded to the six strategic shifts designed to maximise the impact of available resources. Although the Global Fund's resource envelope has increased to US$12,68 billion following additional donor contributions, this remains well below the US$18 billion estimated to be needed to end HIV, TB and malaria. As a result, prioritisation and trade-offs are unavoidable.

Transition was one of the most significant themes discussed during the meeting, with countries receiving greater clarity (via their allocation letters) on when Global Fund support will come to an end. During GC8, 61 disease components across 35 countries, together with three multicounty grants, will receive their final Global Fund grants, while a further 21 components across 12 countries are expected to transition by the end of GC9. This situation reinforced the need for stronger planning, greater domestic investment, and sustained support for local civil society organisations and communities who will be left behind.

The pre-Board session on the evolving global health architecture set the tone for many of the discussions that followed during the Board Meeting. For perhaps the first time, there was open recognition that the current model of international development assistance cannot be relied upon indefinitely. Although this is unsettling, it also reinforces an important reality: countries need to accelerate efforts to strengthen domestic health financing and prepare for a future in which external assistance plays a more limited role. This shift in thinking underpinned many of the Board's discussions on transition, sustainability, domestic resource mobilisation, country ownership, market shaping and strategic priorities.

Ahead of the Board Meeting, Board Members and Alternate Board Members also gathered for a one-and-a-half-day retreat to discuss key strategic issues and areas of consensus and divergence. These discussions, together with a pre-day session on the evolving global health ecosystem, helped shape the Board Meeting.

***DCNGO comments**: We urged the Board to ensure that every decision strengthens the Global Fund's defining values: partnership, equity, human rights, gender equality, meaningful civil society and community leadership and country ownership. Transition carries real risks and not all countries will be equally prepared. We urged differentiated approaches, particularly for countries with criminalised settings, fragile contexts and growing epidemics, where community systems and key population services remain essential. We, together with several other delegations, called for the Global Fund Secretariat to do much more to prepare countries for transition.*

As the Secretariat undergoes restructuring, we encouraged continued investment in the functions that enable effective country engagement, civil society and community partnership; human rights and that address gender related barriers to accessing services. The Global Fund's greatest strength has always been its partnership model, and that must not be diminished as the organisation adapts. We have always needed and will always need a person-centred approach to health care.

2. Substantive Decisions

The Board approved the following substantive decisions:

- The Global Fund is currently operating **above its risk appetite**, with many challenges beyond its control. Ongoing prioritization, trade-off assessment, and impact mitigation are critical. The risk and assurance model has been under review for some time and the Board agreed an updated Risk Appetite Framework, introducing a new approach to how the Global Fund articulates and oversees risk. As a first phase, it approved new risk appetite statements for three enterprise risks (Program Risk, Health Product Access, and Financial & Fiduciary Risk) while the remaining enterprise risk statements will be considered at a future Board Meeting. The updated framework introduces a new risk taxonomy and is intended to strengthen risk-informed decision-making and oversight, while the existing Organizational Risk Register will continue to be used to identify and monitor risks.

***DCNGO comments**: The greatest risk is that the Global Fund fails to achieve our mission to end HIV, tuberculosis and malaria because programmes are not operating at the scale, quality and effectiveness needed to deliver sustainable and equitable impact. The revised Risk Appetite Framework recognises that delivering impact requires balancing ambition with risk in increasingly complex environments and it is encouraging that the definition of Program Risk explicitly recognises critical enabling components of programme success, such as resilient and sustainable systems for health, community systems and engagement, human rights and gender, programme implementation and oversight, co-financing and transition pathways. We hope this message trickles down to Country Teams, encouraging them to be more explicit in their discussions with countries about recognising civil society and communities as active partners in managing risk. We are not simply beneficiaries of programmes; we are often essential to identifying emerging risks, adapting implementation and sustaining service delivery in difficult contexts. We believe this contribution should be more explicitly recognised within the rationale for the proposed risk appetite. We must do more to support countries to prepare for transition. Preparing for transition is not simply about financing. It is about ensuring that health and community systems and community-led responses have the capacity, partnerships and sustained investment needed to maintain equitable access to services and protect the gains we have made. We echo comments from others and welcome regular reporting on how the framework is being operationalised, including how these programmatic risks are being monitored and how the revised approach is translating into practice at country level.*

- A new policy and financing mechanism for non-Global Fund-financed procurement (NGFPM) through the Global Fund's pooled procurement platform. See more below

3. Key discussions

3.1 Non-Global Fund Financed Procurement (NGFPM)

Much of the discussion focused on the proposed NGFP Policy, which aims to adapt the Global Fund's market shaping approach to a future in which more countries finance health products with domestic or partner resources rather than through Global Fund grants. The policy would expand the existing procurement platform (PPM/wambo.org) so that eligible buyers, especially countries using domestic or partner financing; countries that have transitioned out of Global Fund support; regional procurement mechanisms and development partners, can continue to access quality-assured, affordable medicines and diagnostics. This would enable them to benefit from the Global Fund's pooled procurement platform even when purchases are no longer financed through Global Fund grants. The policy also introduces a a pre-financing facility for countries that cannot pay upfront, while keeping the mechanism financially separate from the Global Fund's grant resources.

Board members broadly welcomed the policy, viewing it as an important evolution of the Global Fund's market shaping role and a practical tool to support country transition, sustainability and continued access to innovation. Many constituencies highlighted its potential to ensure value for money through pooled procurement, strengthen country ownership, facilitate domestic resource mobilization, and improve access to new products in an increasingly constrained funding environment. Several constituencies also emphasized that the mechanism could play a critical

role in supporting countries after transition from Global Fund financing and welcomed its planned collaboration with regional procurement platforms and partners such as the World Bank.

The most frequently raised concerns related not to the policy's overall direction, but to its implementation and governance. Several constituencies called for greater Board oversight, with regular reporting, stronger governance arrangements, and possibly a dedicated technical oversight mechanism. There were repeated calls for safeguards against market distortion, supplier concentration and inappropriate buyer preferences, while ensuring transparency around decisions made by the Secretariat. Many stressed that the mechanism should complement, rather than compete with, regional procurement systems and existing partner mechanisms, and should not undermine local markets. Equity was another major concern, with requests for clear eligibility criteria for the pre-financing facility, fair allocation of scarce products, affordable cost-recovery fees for lower-income and transitioning countries, and reporting that demonstrates who is benefiting from the mechanism. It was also emphasized that procurement reforms must not focus solely on commodities, but should also strengthen supply chains, community engagement, country procurement capacity and regional manufacturing, with success ultimately measured by equitable access and improved health outcomes.

***DCNGO comments**: We welcomed the amendments to the policy but stressed that attention should now shift from policy design to implementation. It emphasised the need to understand and address operational bottlenecks identified by communities, ensure meaningful country-level feedback on implementation, recognise the role of civil society and communities in identifying bottlenecks, strengthening procurement oversight, improving access and demand, and promoting transparency and accountability, and strengthen complementarity and strategic alignment between the Global Fund and other procurement partners.*

3.2 OPEX

The Board was requested to provide input into how the Global Fund plans to deliver the ambitious priorities of GC8 despite having significantly less operating funding than in the previous cycle. Rather than relying on across-the-board budget cuts, the Secretariat proposes a two-pronged approach to address an immediate gap of USD130 million: first, making immediate savings through measures such as reducing travel, streamlining operations and changing how some costs (including CCM funding) are financed; and second, undertaking a longer-term transformation of how the Secretariat works, including redesigning country support, using more automation and AI, and restructuring some functions. The risks were acknowledged and greater Board oversight and monitoring was requested to ensure the Secretariat can continue delivering the GC8 strategy while remaining within the approved operating budget.

***DCNGO comments**: We recognised the significant financial challenges facing the Global Fund and supported the need to right-size the organisation while preserving its capacity to deliver GC8. We supported moving CCM funding from the OPEX to ALM but also highlighted that discussions on OPEX should be guided not only by Secretariat efficiencies but by the functions required to deliver the greatest value to countries and communities, with particular attention to protecting country-facing support, including CRG functions that are critical for equitable access, human rights and gender. We encourage greater clarity on the practical implications of the proposed organisational transformation, including its impact on country support and community engagement, and suggest that aspects of the longer-term redesign be shaped together with the incoming Executive Director. We would welcome future scenario analyses that consider a wider range of structural options, including opportunities to establish regional hubs or relocate selected functions to lower-cost locations while maintaining organisational effectiveness.*

3.3 The approach to evidence and learning

The discussion reflected broad agreement that the Global Fund needs a more effective, timely and cost-efficient approach to evidence and learning, particularly given current resource constraints. Most constituencies supported redesigning the current evaluation function to make it more timely, strategic and responsive to Board decision-making, while emphasising that independent evaluation should remain an important part of the Global Fund's evidence and learning architecture. At the same time, there was broad concern across constituencies about preserving the independence, especially as it relates to the OIG, credibility and quality of evidence under the proposed model. Board members called for stronger governance oversight, clearer accountability for acting on evaluation findings, adequate capacity and resources within the Secretariat, better use of existing evidence (including the Technical Review Panel (TRP)), and safeguards to ensure that country, civil society and community perspectives continue to inform learning and decision-making. No decision was taken at the Board Meeting. Instead, the Secretariat will revise the proposal

and continue discussions with the Strategy; Ethics and Governance and the Audit and Finance Committees on governance, assurance and oversight issues, before bringing an updated proposal back to the Board for consideration.

***DCNGO comments**: We recognised the need to make evidence and learning more timely, practical and useful in a constrained resource environment, but noted that the proposed approach represents a significant shift in the Global Fund's evidence and evaluation architecture, with important implications for governance, oversight and accountability. We expressed concern that the TRP's role was largely absent from the proposal, despite its longstanding contribution to the Global Fund's independent evidence base, and regretted that its perspectives were not heard during the Board discussion. We welcomed the assurance that the OIG's role would remain within its independent assurance mandate and emphasised the need for a clear framework to assess whether the new model is delivering better evidence, learning and accountability over time.*

3.4 The Executive Director Nomination Committee progress update

The Executive Director Nomination Committee (EDNC) is responsible for overseeing the Executive Director recruitment process, including reviewing applications, shortlisting candidates and conducting interviews. It will recommend a shortlist of four to five candidates to the Board for consideration. Board Members and Alternate Board Members will meet the shortlisted candidates during a Board Retreat on 1–2 October 2026. This will be followed by the 31st Committee Meetings (5–9 October). The Board is expected to appoint the next Executive Director at the 56th Board Meeting at the end of October. Following the appointment, Board leadership will transition to the incoming Chair and Vice-Chair, who will assume responsibility for the remainder of the meeting.

***DCNGO comments:** We emphasized that the credibility of the appointment depends on a fair, transparent and merit-based selection process. We look forward to a shortlist that reflects regional and gender diversity and includes candidates capable of leading the Global Fund through an increasingly complex geopolitical environment while maintaining the trust of governments, donors, civil society and communities. We expressed appreciation for the leadership of the outgoing Executive Director, Peter Sands, and stressed that his successor should build on the Global Fund's achievements while remaining firmly committed to its founding principles of partnership, equity, country ownership, and meaningful engagement with communities and civil society.*

3.5 Governance effectiveness

Board members generally agreed that the Global Fund's governance model remains one of its greatest strengths and should be preserved, but that it needs to evolve to remain effective in a more complex, resource-constrained global health environment. Participants agreed that governance should be judged by how well it enables the Global Fund to deliver impact against HIV, tuberculosis and malaria, rather than by the number of meetings or reports produced. There was strong support for making governance more focused, strategic and agile by prioritising mission-critical issues, reducing low-value reporting, streamlining agendas, strengthening committee work, and making greater use of virtual and intersessional engagement. At the same time, many Board members stressed that efficiency should not come at the expense of the Global Fund's defining strengths: its inclusive, multi-stakeholder model, meaningful participation of implementing countries and communities, transparency, and equitable representation.

Several Board members repeated the need to strike the right balance between efficiency and inclusiveness. Many constituencies cautioned against reducing delegation sizes or shifting more work outside formal meetings without first assessing the impact on constituencies with fewer resources or limited technical support. Several implementing country constituencies argued that governance reforms should strengthen, rather than weaken, country ownership and representation, with some calling for a broader review of Board composition to better reflect the countries most affected by HIV, TB and malaria. Others emphasised the importance of improving the quality of dialogue, building trust, clarifying the respective roles of the Board, committees and Secretariat, and ensuring that governance reforms are guided by evidence, transparency and measurable outcomes. Overall, there was broad support for continuing the governance effectiveness work, with recognition that reforms should be implemented carefully, iteratively and through an inclusive process that protects the principles underpinning the Global Fund partnership.

***DCNGO comments:** We supported efforts to strengthen governance by ensuring meaningful constituency representation and voice, while recognising the importance of operating more effectively in an increasingly constrained environment. We emphasised that governance reform requires not only changes to structures and processes but also honest reflection by Board members and constituencies on how they can work more strategically and fulfil their own*

responsibilities. We stressed that we should look internally at our own practices and not focus solely on identifying what is not being done by others. We highlighted the importance of maintaining a constructive relationship between the Board and the Secretariat, underpinned by trust, mutual respect and recognition of the Secretariat's contribution to advancing the Global Fund's mission.

3.6 Global Fund–Gavi collaboration

There was strong agreement that collaboration between Gavi and the Global Fund should remain practical, country-focused and grounded in each organisation's comparative advantage, with success measured by whether it reduces country burden and delivers tangible improvements in implementation and health outcomes. Much of the discussion centred on making tuberculosis (TB) the immediate priority for collaboration, particularly in preparation for future TB vaccines. The Board welcomed the joint work underway on country readiness, financing, procurement and evidence generation, and emphasised that vaccines should be integrated into a comprehensive TB response rather than pursued in isolation. Several Board members cautioned against investing further time and resources in broad discussions on system-wide transformation or structural reform when the future direction of the Global Fund itself remains under consideration.

Several constituencies argued that the collaboration now needed greater clarity and accountability through a joint action plan with clear milestones, timelines and measurable indicators, supported by regular reporting to Board committees to track progress and address obstacles. There was also support for jointly evaluating lessons from malaria vaccine introduction as part of the broader malaria response, rather than assessing vaccine rollout in isolation. Some delegations stressed that collaboration should preserve the Global Fund's distinctive strengths, particularly its community-centred governance model, country ownership and market-shaping role. Community representatives also expressed concern that civil society and communities were not sufficiently reflected in current collaboration arrangements and urged that they remain central to future partnership efforts. In closing, the Secretariat noted broad support for the proposed three-pathway engagement framework, recognised the strong consensus around prioritising TB collaboration, and proposed bringing a decision point to the Board in October to provide greater clarity and enable the work to move forward.

DCNGO comments: *We framed the discussion within the Board's broader reflection on how the Global Fund can maximise impact at country level and make the strategic priorities needed to accelerate progress towards its mission. We stressed that the immediate focus of Global Fund–Gavi collaboration should be ensuring that vaccines and integrated health services reach those most in need by strengthening practical collaboration, aligning country-facing work, and listening closely to implementers. We welcomed the increased emphasis on tuberculosis and encouraged the partnership to apply lessons learned from malaria as preparations for future TB vaccines advance. At the same time, we cautioned against pursuing broad, system-wide transformation without a clearly agreed strategic direction, arguing that scarce resources should be directed towards improving country impact rather than funding lengthy organisational change processes whose value remains uncertain.*