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## **1. Position on Health Situation in Venezuela (GF/B37/2)**

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Our Delegation visited Venezuela and witnessed the economic despair and lack of basic necessities. There were long queues for food on the street, absence of food and running water in hospitals, doctors trading food for toilet paper, broken X-ray machines in TB reference labs, people living with HIV and TB with no medications, pharmacies with empty shelves. What we saw was a collapsed economy and a decimated health system with HIV, TB, and malaria on the rise. Venezuela resembled a low-income country, vulnerable to increased rates in the epidemics and with no international aid.

In 2016, Venezuela was a High-income country and later downgraded to Upper middle-income. Venezuela, has the same income classification as China, the world's second largest economy. However, Venezuela is the world's worst performing economy. According to the IMF, Venezuela has an estimated inflation rate of around 1,600% which could go as high as 2,880% in 2018. For the second consecutive year, there was negative economic growth at -8%. This situation exposes the fallacy of World Bank country classifications by income which do not reflect the well-being or health status of the majority of the population in a particular country. Venezuela presents one dramatic example of why dependence on World Bank classifications is harmful to the Fund's mission.

It is easy to attribute the disaster in Venezuela to its own government, but the global community cannot turn its back on the people of Venezuela affected by HIV/AIDS, TB and Malaria. Reports from the Network of Positive People of Venezuela and from the movement of medical doctors, nurses, researchers and activists living in Venezuela, Observatorio Ciudadano de la Salud en Venezuela (Citizen's Observatory of Health Conditions of Venezuela) point to the dire and urgent need for assistance. We trust their findings and believe them to be extremely alarming and worth sharing with The Global Fund and Partners.

Our presence in Rwanda forces us to reflect on the 1994 Genocide and reminds us of our collective responsibility as an international community and the potential implications of delaying or failing to act. Former UN Secretary General, Kofi Annan (2004) said on the issue: "If the international community had acted promptly and with determination... If the United Nations, government officials, the international media and other observers had paid more attention to the gathering signs of disaster, and taken timely action, it might have been averted."

Let us learn from our mistakes. The people of Venezuela, living with and affected by the three diseases need our support. Our internal bureaucracy and self-imposed restrictions should not be the barrier to providing emergency help to people in extreme need. We urge the Board to decide rapidly on the options we have to help them.

## **2. Code of Ethical Conduct for Country Coordinating Mechanism Members (GF/B37/05)**

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The Delegation supports and recognizes the need for a Code of Conduct that would help improve the effectiveness of Country Coordinating Mechanisms. We request however that this CCM Code be removed from decision, and the session be utilized for information and discussion among Board Constituencies.

### **Eligibility Requirement poses a Barrier for Implementation**

While the ethical spirit of the Code of Conduct enjoys our support, we are deeply concerned about incorporating the CCM Code within Eligibility Requirement 6 of the CCM Guideline. This will create an additional barrier to access to funding for essential interventions at the national level – already a critical issue among CCMs and countries. We are not in favour of the proposal to impose this conditionality. We believe this will make the Code difficult to operationalize and may even cause further delays in absorption and access to funding.

### **Clarity around the Code's Implementation**

Currently there is little clarity around the plan and timeline for the Code's implementation or roll out, including the training of CCMs and communication around the mandatory implementation of the Code of Conduct. The Code itself obliges CCM members to identify and report fraud. At the same time, there is little mention of OIG cooperation in the communication, training and implementation of the Code.

### **Considerations for the CCM Code in Countries that are Transitioning**

For countries in transition, the Code creates yet another hurdle for eligibility. We believe that there needs to be a discussion of what benefit the Code might bring to countries that are transitioning and what incentive they might have in signing the Code.

### **Revisions in the Language of the CCM Code**

There is also a need to review the language of the Code. There are items which speak to the Global Fund's response and enforcement that will be problematic for many country contexts. For example, we see clear issues with the following two areas:

- *Country Coordinating Mechanism Members' Duties (pg 3)*: This section presents an expectation that, in addition to grant oversight and management, all CCM members are 'required to immediately report' suspicion or knowledge of fraud (pg 3).
- *CCM Members have a Duty to Report (pg. 10)*: The punitive nature of this language does not encourage reporting and compromises the culture of collaboration and trust that CCMs are supposed to foster. What are the envisioned actions to preserve this culture but also to protect those who make reports to the OIG and are most likely to come from civil society and key populations groups?

### **Need for Continued Consultation**

Finally, we share the African Constituencies' disappointment with the process of limited consultation. We request and stand ready to support a robust consultative process across a more representative number of CCMs. We also ask that the Ethics Officer with the Ethics and Governance Committee conduct a review of documents that currently guide performance of various CCM models (country level, regional etc.). Our Delegation remains at the disposal of the Secretariat and the Ethics Officer to assist in this regard.

Developing Country NGO Constituency Statements  
*37<sup>th</sup> Global Fund Board Meeting May 3-4, Kigali, Rwanda*



### **3. Annual Report on Community, Rights and Gender 2016 (GF/B37/18)**

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We commend the important work conducted by the Community, Rights and Gender Department. Theirs is a key role in advancing the Strategy in Human Rights, both in Geneva and in our countries. We offer the following reflections on the current CRG report.

#### **Need for continued Secretariat engagement with countries to advance key populations involvement and human rights**

The qualitative analysis by the CRG underlines that the specific advice given by the Secretariat and the TRP has influence on commitments to interventions for key populations at country level. How can we ensure that the Secretariat continues to engage closely with countries and that the advice given to national stakeholders supports their work in the area of human rights and focuses on key populations?

#### **The shrinking space for civil society consultations**

We are concerned that at the national level the space for consultations with civil society is shrinking either due to limited funds, or due to hostile environments. What trainings or requirements are anticipated to continue to catalyze meaningful engagement of key populations and civil society in concept note development?

#### **Mainstreaming human rights and gender equality across programmes**

We are concerned that while the Secretariat is advancing human rights and gender issues at the high level, these advancements are not reflected enough at the level of our constituents. Training for Secretariat staff around gender equality through SAGE is commendable, but should be extended to stakeholders at the country level. We see an opportunity for training of PRs, SRs, and CCMs that target education on gender equality and human rights and integrating these concepts across programmes. Is CRG planning such interventions?

#### **Reducing gender inequality**

Additional Secretariat strategic push to reduce gender inequalities and scale up of programming for adolescent girls and young women is commendable. We ask that this initiative be advanced beyond the 13 focus countries. With the existing collaborations with the Stop TB partnership, how can these advancements on gender be additionally strengthened beyond HIV?

#### **Scaling up of reporting of human rights violations**

Our constituents, particularly in Asia Pacific region, report continued reliance on drug detention centers despite Global Fund's ban on funding such programs. Other human rights violations are also reported, but evidently are not brought up to the attention of the OIG. We welcome a discussion on how we can better engage our constituents, the CRG platforms as well as Board Implementers to improve the uptake and process of reporting human rights violations to the OIG. Regional and national networks of key populations must be engaged to strengthen existing human rights complaints mechanisms to improve our ability to document when violations occur in Global Fund grants.

#### **Building capacity of regional and national networks through collaboration on key CRG initiatives**

From the report, it seems that the Secretariat relies on various consultants for human rights related work, for

example for the work on reducing gender inequalities and scaling up programming for adolescent girls and young women and work on data collection and analysis. While it is necessary that the CRG is adequately supported, we are curious if there is an opportunity to conduct this work instead through partner organizations, sub grantee organizations and south to south mentoring to build capacity and expertise of global, regional, and national partners and to provide for continuity and sustainability of this work. This is already done for TB and malaria specific interventions through work with partner organizations such as the Stop TB Partnership and we believe this could be done for other areas that the CRG prioritizes.

#### **Continued investment in key populations**

We appreciate Global Fund's heightened investment in key populations and the \$650 million figure in the last funding cycle is significant. However, according to the 2016 Delivering Key Results report the investment needs to double and triple this amount for 2020 and 2030 respectively to eliminate the HIV epidemic. We encourage the CRG to continue to leverage the Global Fund's position in advocating for more funding to key populations.

The CRG has laid solid groundwork for rolling out essential human rights and gender equality interventions. We anticipate the next report to include the plans to advance these interventions over the complete strategy period.

#### **4. Office of the Inspector General (OIG) Annual Report 2016 (GF/B37/12)**

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We are grateful for and commend the OIG for a clearly presented report. We share the following concerns:

##### **The decreased patient retention and gaps in diagnosis reported across the portfolio**

Serious consideration should be given to mHealth (mobile health), involvement of community health promoters, faith-based services and traditional healers which may help to address the challenges in access to health facilities.

##### **Controls and culture**

The OIG reports that an organization-wide risk accountability framework has been outstanding since 2013. We would like a response from the Secretariat on the 4-year delay on operationalising this agreed management action. We believe, further delay poses a reputational risk. Our constituents in implementing countries will begin to view this as a double standard.

#### **5. Annual Risk Report and 2016 Assurance Statement on Risk Management (GF/B37/27)**

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The Risk Management Report gave us a clear understanding on what has been done. However, we are very concerned that risk management is still not embedded throughout the fabric of the Global Fund. We have the following additional concerns:

##### **Potential risks linked to changing political landscape - conflict and market volatility**

We appreciate the considerations given to the changing political landscape and the risks it poses to the Fund's reputation. We urge consideration of potential market volatility and conflict that might result from current

political shifts. If such hurdles arise, they may pose significant risks to Global Fund function and performance. We recommend a discussion around these risks and how Global Fund's eligibility policy, catalytic investment funding availability, and transition priorities might change if they are introduced.

### **Global Fund role in responsible transitions**

We seek clarity on paragraph 17 of the report. In its current form, the message is such that it relieves the Global Fund of full responsibility for transition. While it is true that countries are ultimately responsible for ensuring sustainability and financing of health interventions, political climate, available resources and other constraints may impact ability to perform on these functions. In addition, the Global Fund, due to its prolonged relationships with many of the national PRs has both the ability and the responsibility to steer countries, provide support, and ensure that adequate economic analysis is performed and political will secured through transition. We request that the Board considers the risks associated with poor transitions as well as the risks associated with requiring countries to transition before they are ready.

### **Accessibility of affordable medications**

We appreciate the discussion of the risks posed by drug and insecticide resistance and the mention of the work with the Green Light Committee. We would like to get more details on this partnership. We also urge the Secretariat to advance its efforts to ensure MDR TB drugs are accessible and affordable across the Global Fund portfolio and globally.

### **Lack of discussion around risks to advancing human rights**

We are disappointed that there is no extensive discussion on the risk to advancing human rights, this being one of the strategic pillars of the Strategy. The lack of discussion on risk in advancing human rights and mitigating such risks for key populations in countries like Tanzania and Philippines deprives us in developing more proactive approaches in addressing this issue. We request further reporting around this by or before the 39<sup>th</sup> Board Meeting.

Contact

Jomain McKenzie

Communications Focal Point

*jomainm@gmail.com*