



Unitaid Executive Board Meeting

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Agenda item 4

Report from the Executive Director

For Information For Review and Advice For Decision

Executive Director Report to the Executive Board

Dear Board members,

As a fourth wave of COVID-19 infections sweeps across European countries with severe force we can be in no doubt the pandemic is far from over and that its consequences are set to reverberate for years to come.

This new increase in COVID-19 cases globally is a painful reminder that inequities in access to lifesaving health products are real and persistent.

The pandemic is putting a huge strain on health systems, monopolizing resources, and bearing down on communities that are most exposed to HIV, TB, and malaria. But unlike the Greek mythological figure Sisyphus, condemned for all time to push a boulder to the top of a hill only to see it roll down to the bottom again, our work is not about to be suddenly undone.

Delivering on ACT-A has energized Unitaid and increased the scope of our impact while making full use of our special expertise in bridging the gap between late-stage development of health products and their adoption at scale.

Our response to COVID-19, led by the Executive Board, has demonstrated our ability to find innovative solutions that prevent, diagnose, and treat diseases more quickly, cheaply, and effectively, in low- and middle-income countries. We have shown our model and expertise can advance access to high-quality COVID-19 therapies and diagnostics.

We have successfully navigated the sharply altered terrain of global health, leveraging lessons learned and building upon our known, well-demonstrated strengths.

Over the past two years we have withstood considerable strains as we switched all staff to remote working at short notice while taking on a prominent role in the COVID-19 response and expanding our portfolio. Despite having to manage projects and partner relations remotely with tight resources, we have successfully delivered on all our objectives and kept our promises.

In addition to taking on a lead role in the global COVID-19 response, in 2021 we moved forward in developing our next strategy in collaboration with the Board and aggressively ramped up efforts to mobilize resources in an increasingly competitive environment.

I believe we are well prepared as an organization to meet the challenges ahead.

Unitaid's committed staff provide the bedrock for our growing portfolio and sustain our efforts as a learning organization. We have developed a staff engagement action plan to promote well-being and to uphold a safe, respectful, and inclusive work environment. It is an approach we are deeply ingraining in the way we operate.

Unitaid needs to buttress a collaborative approach by ensuring staff numbers are adequate to handle a significantly increased workload. This, while continuing to attract emerging talent from different backgrounds who enrich Unitaid with fresh thinking and diversity of experience.

As the pandemic evolves, we need to constantly adjust to the situation and ensure our staff are not isolated and enjoy opportunities for social interaction. We must also ensure new staff, who account for one fifth of our workforce, are successfully onboarded, feel included and fully understand their role in how we work.

As we enter the final stages of strategy development, based on your input from the December Board meeting, we will finalize the strategic framework and share it for your endorsement in June 2022. We must use this time to launch an ambitious resource mobilization effort to fully fund the strategy. At this meeting we will present an approach designed to galvanize our efforts.

As we weigh up what we have learned from the events of the past two years it is possible to draw some conclusions. The first is that we have become more flexible as an organization.

Another conclusion is that we have engaged extensively since the outbreak of the pandemic with a group of tried and tested partners but now we also need to reach out to a wider community of potential implementers.

As a global emergency that threatens the achievement of the SDGs, climate change and global warming are having a deleterious effect on global health and weigh heaviest on the poor and vulnerable in low- and middle-income countries. The strategy development process offers further opportunities to embed the quest for net-zero carbon emissions in all our engagements with manufacturers, partners, and all aspects of our grant portfolio.

In response to growing evidence on the detrimental impact of climate change on people's health, Unitaid has committed to achieve net-zero carbon emissions by 2050, in line with the goals set by the Paris Agreement. Under its Climate Action Roadmap, launched on November 12, Unitaid will reduce the Secretariat's carbon emissions by 50 per cent by 2030 and will offset its carbon footprint to effectively achieve net-zero emissions from 2022.

Unitaid will also seek to reduce the carbon emissions of its investments and of the health products and innovations it readies for scale-up. These priorities will be reflected in Unitaid's upcoming 2022-2026 strategy.

The COVID-19 pandemic has put pressure on the economies of major donor countries, and this is affecting Unitaid's resource mobilization efforts. To succeed in the forthcoming strategic period, we must have the resources we need to fulfil our ambitions. We have a unique opportunity, with your support, to capitalize on the growing recognition of our work and use it to mobilize resources that will make us thrive, by supporting a broader portfolio of grants and positioning Unitaid as a global thought leader in public health.

Priorities and Outlook

When I was appointed by the Executive Board a year ago, I committed to five priorities, set by the Board: i) reinforce Unitaid's portfolio for greater impact; ii) work with the Access to COVID Tools Accelerator (ACT-A) to deliver treatments and diagnostics for the COVID-19 response; iii) develop an ambitious and transformative strategy for Unitaid for 2022- 2026; iv) strengthen staff engagement and well-being; and v) define and implement a strong resource mobilization strategy that leverages engagement with our partners.

Despite the COVID-19 challenges we have faced over the last twelve months, we kept our promise and delivered on all of the commitments I made, working closely with the Board. Our progress has been impressive, amid the constant need to adapt to a rapidly evolving global health landscape. In this report I take stock of what we have achieved in 2021 and point to my priorities for 2022 which I will review with the Board as we develop our next strategy.

Reinforcing Unitaid's portfolio for greater impact

Despite the COVID-19 pandemic, Unitaid's portfolio of investments has performed well in 2021 and we have worked closely with our partners in recent months to recalibrate our projects and ensure we stay on track. As the end of the year approaches, our quarterly analysis is showing that the negative impact of COVID-19 on our portfolio has diminished. Fewer grants face significant disruption, and we are now focusing on achieving maximum impact from our core portfolio. Significant progress was made in our portfolio over the last 6 months, with these examples.

Unitaid's TB portfolio has reached more than US\$ 300 million, covering prevention, diagnosis, and treatment, and other cross-cutting areas. There is a clear opportunity for Unitaid to deepen its TB detection strategies. Diagnosis, which is the weakest link in TB care, has been a high priority in 2021. Without substantial intervention to trace millions of missing TB cases, transmission of the disease will continue unabated, perpetuating the epidemic, and fuelling morbidity and mortality. Many existing diagnostic tools fail sufficiently to meet the needs of people at risk of TB or to provide health systems with the required standards of accuracy, time to results, affordability, and appropriateness for use at the lowest levels of healthcare.

In May, Unitaid launched a call for proposals, funding two new projects focused on TB diagnosis, which aim to improve TB detection amongst those in the general population who often elude detection by the health system. The projects focus on the introduction and implementation of decentralized diagnostics for TB detection that can utilize non-sputum samples which can be adapted and used for TB screening.

As a result of COVID-19, preventive services worldwide were deprioritized to allow countries to tackle more immediate crises, and health systems struggled to meet new demands. Despite significant hurdles, Unitaid, with its grantees, reached more than a quarter of a million women with screening for cervical cancer - one fifth of whom were women living with HIV. We are on track to treat over one million women by the end of 2022. These early results demonstrate that our interventions are succeeding, the tools we are using are appropriate for LMICs and that we are on course to transform the response to cervical cancer.

The fact that we have achieved all this in the face of COVID-19 further strengthens my confidence in the resilience of the systems we are building. We are laying the groundwork for national cervical

cancer elimination programmes in 14 countries, across three continents. To date, Unitaid, through its grantees CHAI and Expertise France, has deployed 5,000 treatment devices to equip healthcare centres and has trained more than 6,500 health workers to provide screening and treatment using the latest technologies. In response to social distancing requirements, we have implemented self-sampling techniques to continue essential preventive care despite the pandemic, and by integrating screening into existing health services, we are making care more accessible to more people. Unitaid is committed to achieving its goal to deliver cervical cancer screening and treatment for less than US\$1 per woman. With price agreements secured that have reduced the cost of HPV screening by one-third and cut the price of thermal ablation devices by half, we are already making treatment ten times less expensive than cryotherapy.

Self-care and related tools that require less frequent medical intervention, can improve access and health outcomes. Unitaid's ground-breaking work in HIV self-testing has shown that self-care tools can reach people who would otherwise not be diagnosed. The COVID-19 pandemic has further reinforced the value of simple, self-care tools such as HIV self-testing in ensuring people can access care despite limited contact with healthcare facilities. Closing the testing gap through scale-up of HIV self-testing is critical to achieving global targets by 2030. To date, Unitaid has invested over US\$ 100m in HIV self-testing, generating evidence that HIV self-testing reaches more first-time testers and facilitates effective linkage to care for populations who were previously considered beyond reach. Unitaid's impactful investments in STAR, ATLAS, MTV-Shuga and the Elton John AIDS Foundation Challenge Fund are enabling the scale-up of HIV self-testing.

Intellectual property (IP) and its implications for access to health products have recently gained greater recognition in global health, largely due to the COVID-19 pandemic. Unitaid's longstanding commitment to IP-related projects dates back to its investment to establish the Medicines Patent Pool (MPP). The MPP is the lynchpin of Unitaid's work on intellectual property and access to medicines and our support was underscored by the approval of a third five-year grant to MPP in November 2020. Findings from a recent study published in *The Lancet* in October underline the critical value of Unitaid's support for MPP. Licenses already negotiated by the Medicines Patent Pool (MPP) will have saved the international community an estimated USD 3.5 billion and 170,000 lives by 2030, according to the report entitled "The economic and public health impact of intellectual property licensing of medicines for low-income and middle-income countries: a modelling study".

The study provides estimates of cost savings, and analyses some of the health effects arising from earlier access to, and accelerated uptake of, quality-assured, affordable optimal treatments in LMICs.

In October WHO recommended wider routine use of the RTS,S malaria vaccine – the first vaccine of its kind. Progress against malaria was stalling even before the COVID-19 pandemic hit. The malaria vaccine is a welcome new tool that, when used in combination with existing interventions like bed nets, has the potential to drive down malaria and extend protection to children across Africa. Pilot implementation has demonstrated how we can equitably reach children with this life-saving vaccine. We have an opportunity to ensure adequate and affordable supply and thereby to energize the fight against malaria.

The WHO's game-changing recommendation is based on data gathered through the Malaria Vaccine Implementation Programme (MVIP), which took place in Kenya, Ghana, and Malawi over two years, and a clinical trial focusing on seasonal delivery of the vaccine in Mali and Burkina Faso. Unitaid, alongside Gavi and the Global Fund, committed nearly \$70 million to fund the pilots.

As of September 2021, over two years after the start of vaccinations, more than 2.3 million RTS,S doses have been administered across the three countries and more than 800,000 children have been reached with at least one dose of the vaccine. The pilots provided an opportunity to evaluate the feasibility of delivering four doses of RTS,S in real-life settings. The vaccine was successfully rolled into existing immunization programmes, widely accepted by both caregivers and healthcare workers, and reduced hospitalizations from severe malaria by 30%.

A further clinical trial led by the London School of Hygiene & Tropical Medicine assessed the impact of seasonal delivery of the malaria vaccine alongside seasonal malaria chemoprevention in Mali and Burkina Faso - countries that experience high seasonal variation of malaria transmission. The findings indicated a decrease of more than 70% in severe malaria cases in children when the vaccine was administered in combination with preventive antimalarials.

Working with the Access to COVID Tools Accelerator (ACT-A) to deliver treatments and diagnostics for the COVID-19 response

As co-leads of the Therapeutics pillar of the Access to COVID-19 Tools Accelerator (ACT-A), Unitaïd is at the forefront of global efforts to increase equitable access to treatments for COVID-19, including medical oxygen. This work has been conducted with key partners including FIND, the Gates Foundation, the Global Fund COVID-19 Response Mechanism, UNICEF, Wellcome Trust and WHO. As a member of the Diagnostics Partnership, we are also working with partners to ensure low and middle-income countries have access to COVID-19 tests. We need to recognize that the level of detection of COVID-19 in LMICs is ten times less than in high income countries. Unitaïd's role in ACT-A is helping to mitigate the direct impact of COVID-19 in countries, but we remain concerned with the knock-on effects on HIV, TB, malaria, maternal and child health. Since March 2020, our efforts have delivered strong results.

In July, Unitaïd partnered with FIND to invest in technology transfer to increase local production of antigen rapid diagnostic tests (Ag RDTs) for COVID-19 in LMICs to ensure countries are equipped to quickly detect cases of COVID-19 and increase their capacity to contain outbreaks. As a result of Unitaïd's investment, technology transfer agreements have enabled expanded production of high-quality AG RDTs in Brazil, Senegal, and South Africa.

In November, building on this effort, Unitaïd, in partnership with FIND, invested \$50 million to accelerate lifesaving testing and treatment for COVID-19. The investment is financing seven complementary grants which support early adoption of comprehensive care packages in 22 LMICs across Africa, Southeast Asia, Latin America, and the Western Pacific, where testing capacity is insufficient and life-saving treatments are not widely available. The objective of the grants is to generate high quality evidence to inform the World Health Organization guidelines and national policies on optimal approaches to scaling testing and treatment solutions.

These Unitaïd financed grants leverage existing laboratory and testing networks to offer additional testing options, such as simple, accurate and affordable Ag RDTs and COVID-19 self-tests. Decentralizing simple, affordable, rapid tests enable quick linkages to care for vulnerable populations. The grants will also support the introduction of emerging therapeutics as they become recommended, including new oral antiviral medicines, such as molnupiravir and Paxlovid™.

Effective oral outpatient drugs, including simple to use oral pills that are easier and less expensive to produce in large volumes and to deliver in outpatient settings, would offer a widespread and

potentially scalable way to stop disease progression, reduce hospitalizations, ease pressure on health systems, and reduce deaths. If these drugs are recommended for use by regulators and WHO, they could change the pandemic response.

In October, a voluntary licensing agreement was signed between the Medicines Patent Pool (MPP) and MSD, in order to facilitate affordable access to molnupiravir. Molnupiravir was reported to significantly reduce the risk of hospitalization and death in at-risk adult patients in interim clinical trials. Molnupiravir is currently being evaluated for inclusion in the WHO living guideline on COVID-19 therapeutics and has been approved for use in the UK and by the European Medicines Agency in November. It is the first oral medicine for non-hospitalized mild-to-moderate COVID-19 patients.

In November, the MPP signed another voluntary license with Pfizer, for its potential new COVID-19 treatment Paxlovid™, which in combination with ritonavir reportedly reduces the risk of hospitalization or death in non-hospitalized high-risk adults with mild to moderate infection by around 89%.

These licenses, supported by a grant from Japan through Unitaïd, are a positive step towards accelerating broader access to treatment. By allowing multiple generic licensees from around the world to manufacture these products, availability will increase, while competition among companies will result in more affordable prices. ACT-A partners are anticipating a series of additional market interventions to ensure that, once they are proven to be safe and effective, these medicines will be quickly available.

Since the start of the pandemic, affordable and sustainable access to oxygen has been a growing challenge in low- and middle-income countries, impacting the poorest countries disproportionately. For patients who are critically ill with COVID-19, access to oxygen alongside treatments is lifesaving, in addition to corticosteroids. Obstacles to access were entrenched in many parts of the world before COVID-19, and have been exacerbated by the pandemic, putting a strain on fragile health systems, and resulting in preventable deaths.

Before the pandemic Unitaïd was working on oxygen and has become a leader in improving access to this essential, lifesaving medicine. We have successfully engaged with the gas industry to form global framework agreements to expand access to liquid oxygen through industrial sources. In agreements brokered by Unitaïd and CHAI in June under the ACT-A Oxygen Emergency Taskforce, two of the world's largest medical gas suppliers, Air Liquide and Linde Group, have committed to working with global health partners from ACT-A to facilitate equitable access to oxygen in several countries. These agreements have paved the way to securing access to oxygen for people living in LMICs and to fast track its delivery, in order to prevent further waves of oxygen-related deaths. This is the first time such an agreement has been made to help facilitate equitable access to oxygen. We are hopeful that by early 2022, the cost of bulk liquid oxygen (ex works) for multiple countries in sub-Saharan Africa could be reduced by 25-50% because of these engagements. We are now working to bring additional oxygen suppliers to the table. Unitaïd has an opportunity to make a significant impact not only on the COVID-19 response but in other areas where medical oxygen is vital but often unavailable, including treating women who develop complications in childbirth and pneumonia control.

In order to tackle supply shortages resulting from the COVID-19 pandemic, we also aim to build a framework for local contractual agreements by collaborating with each supplier as a basis for longer-term purchasing deals by governments and global agencies that fund access to medical oxygen. In

addition, discussions with other gas suppliers are underway. Unitaid is soliciting proposals for projects that can leverage these MOU agreements and ensure countries can access the benefits of these agreements as soon as possible.

Under this initiative, in collaboration with the Oxygen Emergency Taskforce partners and CHAI, Unitaid is working to mobilise resources to fund medical oxygen storage and infrastructure, pay for emergency supplies, and finance the transportation of equipment and other tools needed for safe, resilient medical oxygen systems. Market interventions including advance purchase commitments and guarantees could form part of this package of measures.

Developing an ambitious and transformative strategy for 2022-26

The development of Unitaid's strategy for 2022-26 comes at an opportune moment. We have been able to draw on 15 years of experience, incorporating the lessons we have learned over the past two years with the emergence of COVID-19, its impact on the global health space we operate in and our role in ACT-A. We can be proud of how Unitaid has adapted and evolved, demonstrating the relevance of our model and how our unique expertise and leadership is essential and complements the work of other key global health players in delivering effective solutions.

I would like to thank the Board for your strong engagement and partnership in the journey to develop our next strategy. Your perspective and guidance challenged us and stimulated our thinking. Since my last report to the Board in June, we have worked in close collaboration with you to define Unitaid's comparative advantage, agree on the key transformations our next strategy is expected to bring, and develop a strategic framework to be endorsed by the Board.

This work has been informed by comprehensive stakeholder consultations conducted in the first phase of this process, including the Unitaid 2017-2021 Strategy Review conducted by Itad. The review provides a valuable external perspective on the delivery of Unitaid's current strategy and our positioning. It has enabled the Secretariat and the Board to reflect on how Unitaid operates and is perceived and introduces ideas on how we can evolve in a dynamic global health arena.

Our Board meeting this month is an exciting and pivotal moment in the strategy development process. Based on agreement on our future strategic framework, programmatic priorities for the next strategic period, and related operational implications, we will jointly outline a clear path to finalize Unitaid's next strategy for the Board's endorsement in June 2022. In this last mile of the process, we will see Unitaid's 2022-26 strategy come to life as we jointly refine and affirm detailed programmatic priorities in public health, identify areas of our operating model that will need to evolve to successfully implement the new strategy, articulate a new performance management framework, and begin to introduce the strategy to key partners and a broader audience, including donors.

In the next phase of the strategy development process our continued collaboration will be even more important as we define where and how we bring the most value. We will need to find the balance between ambition and focus and design a strategy that will enable Unitaid to have the greatest impact over the next strategic period. I look forward to our heightened collaboration in the final and most critical stages ahead, including financing and implementing our future strategy. Building on the strong foundation we have established the next strategic period offers an opportunity to bring even greater impact in global health.

Strengthening Secretariat Management and Culture

In 2021 there has been a 25% increase in the number of new Unitaid investments. While staff numbers have increased, they have not matched the growth and ambition of our portfolio. In addition to managing an expanding number of grants and taking on a more prominent role in ACT-A, the Secretariat is developing Unitaid's next strategy – while managing the complexities of operating in the middle of a pandemic. And yet we have continued to improve our ways of working this past year, building on what we achieved and learned in 2020.

Let me start by thanking all staff members for their commitment and their hard work. The majority of us are still working remotely, even as our office at the Global Health Campus has increased capacity. An unhealthy workload has been a hallmark of the era of COVID-19 for Unitaid, like so many other organizations which are deeply committed to the pandemic response. In early 2021, I created a new organizational risk associated with negative health and well-being among Unitaid staff. I have been monitoring the situation and including questions about staff well-being in our quarterly “pulse” surveys, organizing focused discussions with my senior management team and conducting an organization-wide workload analysis. I have also instituted open door, weekly one-on-one meetings with staff across the Secretariat, to allow me to better understand at first hand the challenges they are facing.

While feedback from our recent staff survey is more balanced and has stabilized, I am concerned about how we can sustain our progress and further improve over the long term. Staff are managing a growing portfolio while dealing with challenges posed by the ongoing pandemic. With limited travel, staff now need additional time and effort to ensure key partners and stakeholders are engaged virtually. We still need to make extra efforts to engage staff and make sure they have everything they need including face-to-face contact with colleagues.

To deliver on the ambitious agenda we took on this past year and to ensure we are prepared to implement the priorities we set for 2022 and the next strategic period, we have taken a number of steps to increase the effectiveness and efficiency of our operations and further strengthen an organizational culture of active staff engagement. Unitaid continues to adapt its ways of working to ensure even more strategic work planning, prioritization, allocation of resources and efficient systems. We are addressing workload distribution and the efficiency of approval processes to optimize Unitaid's investments. Internally, and after a deep review of our grant management approaches and systems, I charged my teams with eliminating any unnecessary inefficiencies, reducing workload for staff and our implementers. In a sweeping change, we have moved from twice-yearly reporting and disbursement decisions to annual ones. Without compromising our ability to carefully steward resources, we have thus simplified reporting by our implementers—an aspect of our work they have found challenging. In so doing, we have halved in many cases the routine grant administration workload within the Secretariat. This has freed up time for the Secretariat to consider more strategic aspects of our investment management across our portfolios and for implementers to get on with implementing. At the same time, we have streamlined our other internal processes, and eliminated unnecessary duplication.

We are also adapting to a hybrid working environment. A new Unitaid policy on hybrid working, currently under development, aims to allow staff more flexibility when they return to the office to adjust their teleworking schedules, while promoting staff integration, social interaction, and enhanced collaboration.

Ensuring Unitaid is adequately staffed to perform its role and deliver on critical investments is essential. The arrival of my senior adviser has reinforced our organizational management capacity which will be further strengthened when our Deputy Executive Director joins us next year.

Since my last report, in response to issues raised by staff and based on a consultative process, the Secretariat has introduced a staff engagement action plan to further advance efforts to promote staff well-being and institute the organizational culture Unitaid is committed to upholding – a safe, respectful, equitable and inclusive work environment. This is a culture I aim to nurture and sustain by imbedding it in the way all staff within the Secretariat operate and interact. The action plan will be implemented until the end of next year.

I am pleased to say that we have successfully addressed one of Unitaid’s greatest challenges two years ago – a perceived lack of “open” communication. In 2021, we continued strengthening internal communications to facilitate more effective and transparent information-sharing on key developments, priorities, and opportunities within the organization and to facilitate dialogue. We enhanced all-staff meetings with a broad range of content, hosted regular staff engagement sessions related to the development of our next strategy and re-introduced our staff newsletter, opened senior management team meetings to include other relevant staff and fostered inclusive platforms for staff at all levels to contribute with their perspectives, reflections, and recommendations. We launched a corporate knowledge sharing information system, which not only centralized many of our information resources, simplifying staff access to critical resources, but also opened up channels for dynamic staff exchanges across a range of areas of community and technical interest.

Over the last six months the Secretariat has delivered a series of human resource clinics focused on training and career development. In addition, training on psychological safety was made available, providing an opportunity for all staff to understand their rights and responsibilities in fostering a work environment that is safe and accepting of all. In collaboration with WHO, Unitaid conducted workshops on the organization’s new Policy on Preventing and Addressing Abusive Conduct (PAAC). The workshops were tailored to Unitaid’s needs and focused on providing a safe and respectful work environment free from discrimination, abuse of authority and harassment, including sexual harassment. To complement these efforts, a session on our code of professional conduct and ethics is scheduled to take place in January and a workshop on diversity, equity and inclusion will follow in February. Training is only the first step to promoting the organizational culture we seek and Unitaid will continue to develop and implement additional measures that support these efforts.

Going forward we will be guided by the annual all-staff survey results, building on our strengths and focusing on opportunities to improve. The most recent survey results from November show that employees are highly engaged in the work they do and have a strong commitment to Unitaid’s mandate; they have a strong understanding of their respective roles and how this contributes to Unitaid as a whole. Nearly all staff believe that there is strong collaboration and support within their team and across teams. Areas where Unitaid has an opportunity to improve include onboarding, considering remote working in the context of the pandemic, and additional measures to make operations more efficient. To further leverage the human resources we have and strengthen a motivated workforce, we also need to consider opportunities for career development and to sustain efforts to create a culture of respect and inclusion across all levels of the organization.

In 2022, the Secretariat will work with a human resource specialist to develop a supervisor’s charter focused on strengthening people management skills and responsibilities, as well as better

performance management. We will provide training for all staff that focuses on topics including giving and receiving feedback and ways of working in a hybrid context. In addition, we have plans to deliver all-staff workshops on Unitaid values and how to further strengthen them in a virtual and hybrid working environment.

Beyond our focus on the well-being of our own staff within Unitaid's Secretariat, we also recognise Unitaid's duty of care with respect to safeguarding members of our grant implementers' workforce and local populations, in the context of grant implementation. During the second part of 2021, we have therefore stepped up our safeguarding efforts to protect people, through measures designed to prevent and respond appropriately to the risks of harm caused by misuse of power in our grants – such as sexual exploitation and abuse, harassment or bullying.

The implementation of Unitaid-funded projects in low resource settings creates inherent power imbalances – both within the workforce of those projects and between the staff and the local population. We recognise that our investments can unintentionally create opportunities that may be exploited by unprincipled people, empowered through work funded by Unitaid. Whilst most staff and associates of our implementers are no doubt committed and principled, we cannot ignore the risk that some may engage in misconduct that harms either co-workers or members of the local population. Our focus and the reinforcement of Unitaid's approach to this issue will therefore remain an important priority for us in 2022.

Unitaid's current safeguarding approach builds on WHO's formal policy framework in this area, supplemented by more specific requirements set out in Unitaid's 2018 "Implementer Guidance on Wrongdoing" and our 2020 "Supplemental Guidance on Safeguarding". These Unitaid-specific requirements apply to both lead and sub-implementers

During the past few months, we have written to all our lead-implementers, reminding them of our requirements and underlining the need to cascade those requirements to sub-implementers. In addition, we have conducted internal training sessions, to increase internal capacity and empower our project teams to liaise directly with grant implementers on these issues. All Unitaid implementers will shortly be informed of our plans for an external review in early 2022, verifying their compliance with our safeguarding requirements.

We will also be working to reinforce relevant processes across all stages of our grant development and management, including for instance, the strengthening of implementer capacity and safeguarding risk assessments. In this respect, we are endeavouring to align with global best practises in this area, for example as outlined in the Multilateral Organization Assessment Network Practise Note. We are also working closely with other Geneva-based partner agencies, including WHO, the Global Fund and Gavi, as part of an inter-agency initiative to develop, share and reinforce our collective practises in this area.

Defining and implementing a strong resource mobilization strategy

Resource mobilization is a critical priority and a key challenge. We need long-term commitment from donors to Unitaid. The ongoing strategy development process (2022-2026) represents a great opportunity to galvanize donors and partners for a fully funded strategy.

In the past year, Unitaid's role in the ACT Accelerator partnership has raised the profile of the organization globally, particularly in donor countries, with increased mention in global media, including in donor markets. Unitaid's leadership role in market shaping in therapeutics and diagnostics

has been recognized, with unprecedented funding, demonstrating confidence in leveraging Unitaid's expertise to combat the present pandemic. Unitaid's role in the COVID-19 response has opened doors to conversations with key donors, including Canada, the European Commission, Italy, and Germany among others.

Unitaid's longstanding commitment to access, through its work in intellectual property and voluntary licensing, has also been recognized as critical to the pandemic, with the Medicines Patent Pool (MPP) and several other grantees, playing a leading role in access to COVID-19 tools. As founders of the MPP, we are proud of how initial efforts on access to HIV medicines have been 'scaled' to address critical areas in HCV, TB and now COVID-19. MPP is now attracting additional 'scale' funding for its expansion into COVID-19 and the Essential Medicines List (EML).

However, the funding landscape for Unitaid's core portfolio is especially challenging as donor governments, including those represented on our Board, focus on addressing the ongoing global COVID-19 emergency. This has had a profound impact on the predictability of funding for Unitaid's core budget. Long-term funding is more uncertain and will depend on the evolution of the pandemic and its impact on global economic growth. It is not yet clear what global health financing priorities will look like as the pandemic evolves. We expect that competition for limited overseas development assistance (ODA) funding will be intensified by the upcoming replenishment processes for the Global Fund and CEPI in 2022. The reduction in core funding donors, coupled with the delay in the renewal of multiyear funding agreements, remains a fundamental risk to Unitaid and is a top priority for our resource mobilization efforts.

The development of our strategy for 2022-26 provides a unique opportunity to galvanize our efforts for resource mobilization. First, we must draw lessons from the recent efforts to mobilize resources for ACT-A. This has been an exceptional platform for Unitaid to engage with a breadth of existing and potential new donors. Contributions from new donors including Canada, Germany, Portugal, and the Wellcome Trust were secured in 2021 as a result of extensive outreach and engagement by the Unitaid Secretariat with ACT-A partners. Today, five of the G7 economies are contributing over \$160 million of additional funding for Unitaid's work on COVID-19 under ACT-A in 2021.

This success was anchored in the strong leadership by the ACT-A Council but also with the support from our Board Members. Another element of the success was the ability of the ACT-A to clearly communicate its resource needs with specific figures related to the work led by Unitaid.

We rely on commitment and support from Executive Board Members and civil society for our resource mobilization efforts. The proposed approach for resource mobilization, to be discussed during the December Board meeting, sets out the basis for our engagement leading to a pledging moment during the United Nations General Assembly in September 2022.

Finally, Unitaid's visibility in the media and among our partners, countries, civil society, and donors continues to grow. We are regularly called on to speak on new treatments for COVID-19, access to oxygen, voluntary licensing and generic manufacturing of medicines, the recommendation of the malaria vaccine, paediatric HIV treatments, and more. The COVID-19 pandemic and our role in the Access to COVID-19 Tools Accelerator (ACT-A) has brought new opportunities and drawn attention to the organization over the past six months. This has helped us to further expand our media presence and leverage the global appetite for public health topics to garner recognition, both for our role in responding to the pandemic as well as our work across our core portfolio.

In 2021, we delivered life-saving innovations through a resilient HIV, TB, and malaria portfolio, as well as a range of sorely needed solutions for COVID-19 diagnosis, care, and treatment – including oxygen solutions. Thanks to an even stronger Secretariat – tempered by the hardships we are constantly working together to overcome – we delivered on all the key priorities I set for the Secretariat. As we move into 2022, we do so with a framework for our future strategy, built in concert and through close consultation with you – our Board – and other key stakeholders, including the communities Unitaid serves. While there are challenges ahead, the progress made in 2021 and our ability to deliver gives me great hope for our future.

With my best regards,

Philippe Duneton
Executive Director
Unitaid