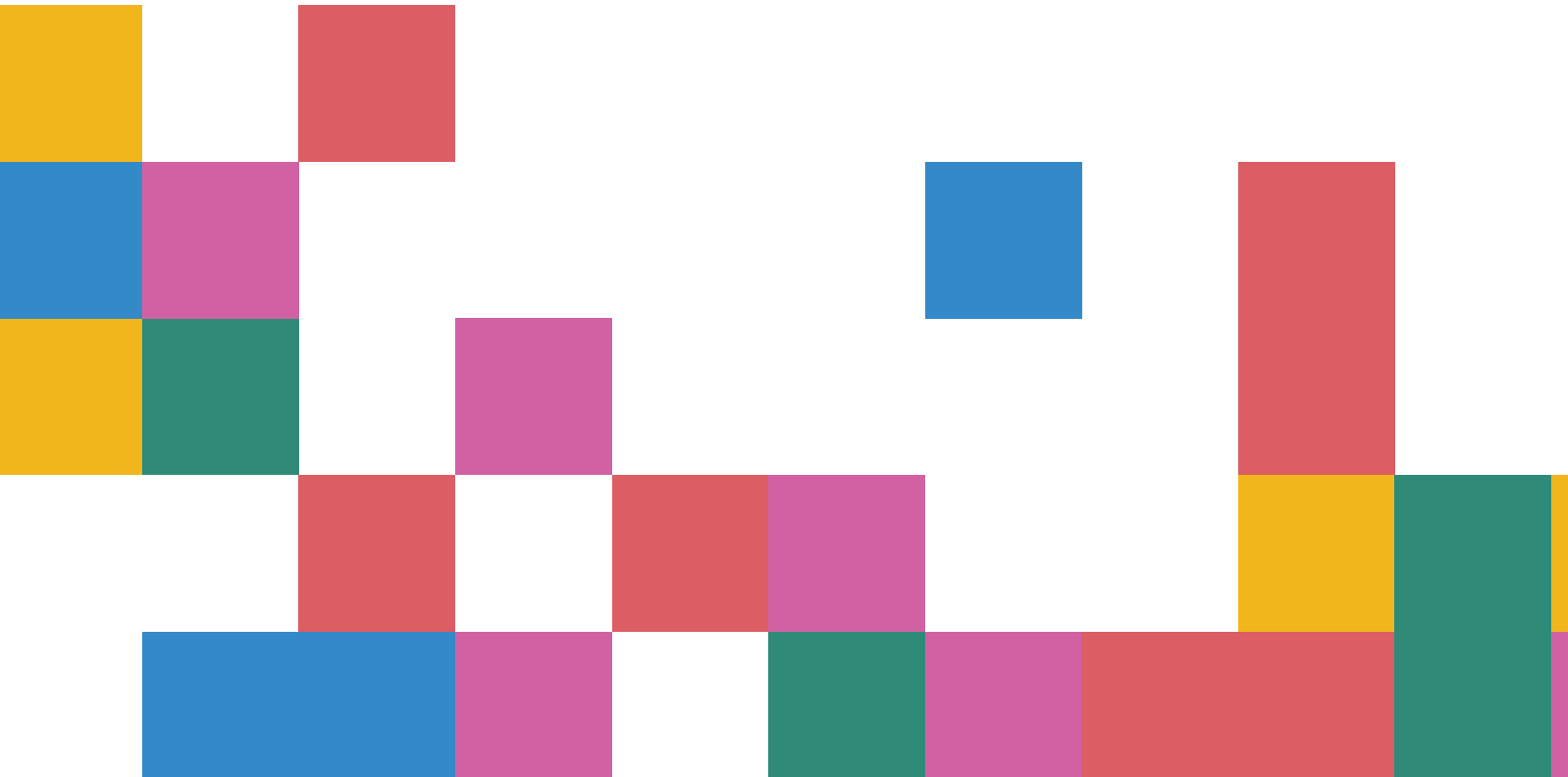
GATE

Communities Delegation
to the Board of the Global Fund to fight AIDS, Tuberculosis and Malaria

Community Evidence for *Direct* Funding *Pathways*

Mapping the need, the barriers, and recommendations for Global Fund Grant Cycle 8 and beyond



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About GATE

GATE works to advance global justice for trans and gender diverse communities. Our vision is a future where trans and gender diverse communities live freely, safely, and with dignity. We are community-led and community-centered, working with integrity and innovation to create opportunities for shared learning and resource equity in order to advance global solidarity across borders and movements.

Find out more about GATE by visiting www.gate.ngo

Table of Contents

Definitions

This paper distinguishes between **community-led organisations** from other structures operating at the community level. According to UNAIDS, community-led organizations, groups and networks are defined as "entities for which the majority of governance, leadership, staff, spokespeople, membership and volunteers reflect and represent the experiences, perspectives, and voices of their constituencies and who have transparent mechanisms of accountability to their constituencies. Community-led organizations, groups, and networks are self-determining and autonomous, and not influenced by government, commercial, or donor agendas. Not all community-based organizations are community-led." [1]

The term **key and vulnerable population** refers to groups most affected by HIV, TB, and malaria, who face barriers to accessing services. Key populations include:[2] men who have sex with men, trans and gender diverse people, sex workers, people who use drugs, people living with HIV, people in prison and other closed settings (for HIV); prisoners and incarcerated populations, migrants, refugees, miners and other people who work in poorly ventilated conditions, and indigenous populations (for TB); and pregnant women, children under 5, and internally displaced people and indigenous populations in malaria endemic areas (for malaria). Vulnerable populations are typically context-specific and may include adolescent girls and young women, people with disabilities.

Another key concept in this paper is **direct funding.** Direct funding refers to funding streams that flow directly from the Global Fund Secretariat to community-led organizations, typically through global or regional intermediary organizations or networks. Direct funding pathways are distinct from the traditional pathway through Principal Recipients. They are governed by administrative, monitoring, reporting, and oversight requirements that are fit-for-purpose and tailored to the capacity and legal status of local, community-led organizations.

The Global Fund defines **country ownership** as an inclusive concept that pertains "not only to implementer governments, but also to communities living with and affected by the diseases, including key and vulnerable populations, civil society and other stakeholders."[3]

1. UNAIDS. (2022). Community-led AIDS responses: Final report based on the recommendations of the multistakeholder task team. Joint United Nations Programme on HIV/AIDS. https://www.unaids.org/sites/default/files/media_asset/defining-community-led-responses_en.pdf
2. The Global Fund. (2024, January 29). Key populations. https://www.theglobalfund.org/en/key-populations/
3. The Global Fund. (2021). Fighting pandemics and building a healthier and more equitable world: Global Fund strategy (2023–2028). https://www.theglobalfund.org/media/11612/strategy_globalfund2023-2028_narrative_en.pdf

Executive Summary

Community-led organizations play a critical role in the HIV, tuberculosis (TB) and malaria responses, particularly in reaching populations that experience stigma, discrimination, criminalization and other barriers to formal health services. Yet many community-led organizations continue to face significant barriers to accessing Global Fund financing.

Developed by GATE, in partnership with the Communities Delegation, this report documents evidence for direct Global Fund financing of community-led organizations, drawing on findings from a review of lessons learned from Grant Cycle 7 and consultations with community experts:

Shifts in international donor funding are compounding existing financing challenges for community-led organizations. Global Fund resources are under increasing pressure, while reductions in bilateral funding are removing other important sources of financing for community-led organizations. Funding that does reach community-led organizations is often small, short-term and activity-based, with limited support for staff, systems and organizational capacity.

Existing implementation arrangements create additional barriers to financing community-led organizations. Community participation in country dialogue and Country Coordinating Mechanisms (CCMs) does not consistently translate into control over resources, and community-led organizations face further barriers through the implementation chain, including legal registration, prior grant experience, audits and other institutional requirements, which can further exclude smaller and criminalized organizations.

Transition and domestic financing can further narrow financing options. Greater domestic financing, integration and social contracting are important components of sustainability, but increased domestic health financing does not necessarily mean that resources will reach community-led organizations. Social contracting is feasible in some settings and for some activities, but not accessible to all community-led organizations, particularly those led by criminalized or politically marginalized communities.

Marginalized communities face the greatest barriers to financing. Political priorities, criminalization, program definitions, legal status, conflict, displacement and geography influence which populations are recognized within national responses and which organizations can access resources.

The cumulative findings describe a clear need for direct funding pathways. Taken together, the findings show a progressive narrowing of financing options for community-led organizations. External funding is declining; within Global Fund grants, community priorities risk being reduced or lost in the increasingly medicalized responses that expose community-led organizations to further barriers; these barriers fall particularly heavily on criminalized and marginalized communities that national systems may be least able or willing to reach. Transition and greater reliance on domestic financing can further narrow the available options.

Many of these barriers can and should be addressed within existing Global Fund arrangements. Stronger community participation, dual-track financing, more transparent sub-recipient and sub-recipient selection, proportionate requirements and effective social contracting remain important. They do not, however, resolve the financing gap for all community-led organizations.

Direct funding is needed where community-led organizations cannot legally or safely access government-controlled funding; where populations are not recognized or prioritized through national processes; where smaller or unregistered community-led organizations cannot access conventional implementation arrangements; or where community-led monitoring, advocacy and accountability require financial independence.

Introduction and Context

Community-led organizations play a critical role in responses to HIV, TB and malaria, yet many continue to face significant barriers to accessing Global Fund resources. This has been a longstanding concern for the Communities Delegation to the Global Fund Board.

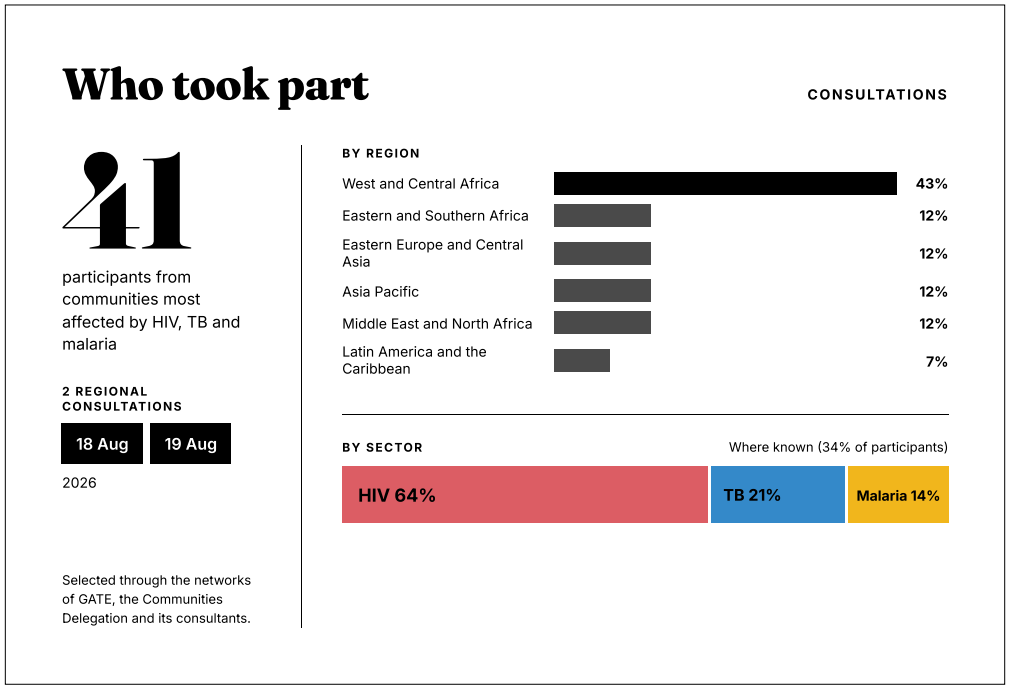
Developed by GATE, in partnership with the Communities Delegation, this paper addresses the question: Why is direct funding necessary? Discussions on direct financing have often been constrained by a lack of consolidated evidence on the extent to which existing Global Fund financing arrangements reach community-led organizations. This paper brings together evidence from Grant Cycle 7 and the experiences of communities worldwide to document where and why existing financing pathways fail to reach community-led organizations, and why direct financing is necessary where these barriers cannot be resolved through existing arrangements.

The need is urgent: Global Fund resources are increasingly constrained amid broader reductions in bilateral funding. Criminalization, shrinking civic space and growing anti-rights and anti-gender movements create additional risks for community-led responses, while increasing emphasis on sustainability, integration and domestic financing raises important questions about how community-led organizations and community-led responses will be financed in the future.

Methodology

Evidence for this report was gathered through a desk review and regional consultations.

The desk review reviewed publicly available reports and publications from the Global Fund Secretariat, the Office of the Inspector General, the Technical Review Panel, and other civil society organizations. These reports were analyzed to identify key signals ('red flags') from Grant Cycle 7 about barriers and facilitators to funding community-led organizations with Global Fund resources. This analysis was complemented by the findings from the Communities Delegations' previous papers on direct funding for community-led organizations.



Two regional consultations were held with representatives of communities most affected by HIV, tuberculosis, and malaria on 18 and 19 August 2026.

Participants were selected from the networks of GATE, the Communities Delegation and its consultants, with an effort to diversify geographic and sector representation. In total, 41 people participated in the consultations, which included participants from West and Central Africa (43%), Eastern and Southern Africa (12%), Eastern Europe and Central Asia (12%), Asia Pacific (12%), Middle East and North Africa (12%), and Latin America and the Caribbean (7%). Among those for whom their sector was known (34%), 64% represented communities affected by HIV, 14% by malaria, and 21% by TB.

Transcripts were systematically coded and analyzed using a thematic approach. Codes were developed from recurring issues, experiences and patterns in the consultation data and then grouped into broader themes and sub-themes. The analysis considered both the frequency and consistency of issues raised across consultations, as well as significant experiences affecting particular communities or contexts. Themes were reviewed against the transcripts to ensure that the findings remained grounded in participants' accounts.

A facilitated validation meeting was held in Nairobi, Kenya, with 11 community leaders from across regions and disease responses. Ahead of the meeting, an initial draft of this report was developed and circulated to all the participants to allow for consultation within their networks. During the validation meeting, participants reflected on the findings from the desk review and the regional consultations and contributed to the development of the evidence base described in this report.

Red Flags from Grant Cycle 7

The review of Grant Cycle 7 identified a persistent gap between the Global Fund's commitment to community-led responses and community-led organizations' ability to access and retain funding through country grants. While the Technical Review Panel noted greater recognition of communities and community systems in Funding Requests, one-fifth of Funding Requests did not articulate a role for community-led or community-based organizations in service delivery, and understanding of community-led programming remained inconsistent.

Several key red flags emerged:

- **Community-focused investments were particularly vulnerable when budgets came under pressure.** Prevention, community-led monitoring, human rights and gender programming experienced substantial reductions during Grant Cycle 7 reprioritization. Community systems strengthening was reduced by 22%, with some advocacy and human rights interventions experiencing larger cuts.
- **Community participation did not consistently translate into influence over funding decisions.** Engagement often weakened beyond Funding Request development, while Principal Recipient, sub-recipient and sub-sub-recipient arrangements remained difficult for many community-led organizations to access. Legal registration, prior grant experience and audit and financial system requirements could further exclude smaller and criminalized organizations.
- **Alternative pathways remain insufficient.** Civil society Principal Recipients are an important route for community financing. However, social contracting is not operational or accessible in many settings, while mechanisms such as the Community, Rights and Gender Strategic Initiative remain comparatively small and short-term.

These challenges are structural rather than isolated grant-level problems. Grant Cycle 7 experience suggests that, without deliberate mechanisms to protect community financing, community-led organizations can lose access to resources even where Global Fund policy recognizes their importance.

Consultation Findings

Findings from the consultations and validation meeting reveal that funding for community systems is under strain. Respondents described an increasingly challenging funding environment, leaving community-led organizations competing for smaller grants with shorter timeframes and less predictability. In practice, the structural architecture of Global Fund implementation systematically limits meaningful community influence over budgets, despite guidelines requiring participation in planning processes, and administrative requirements and capacity assessments

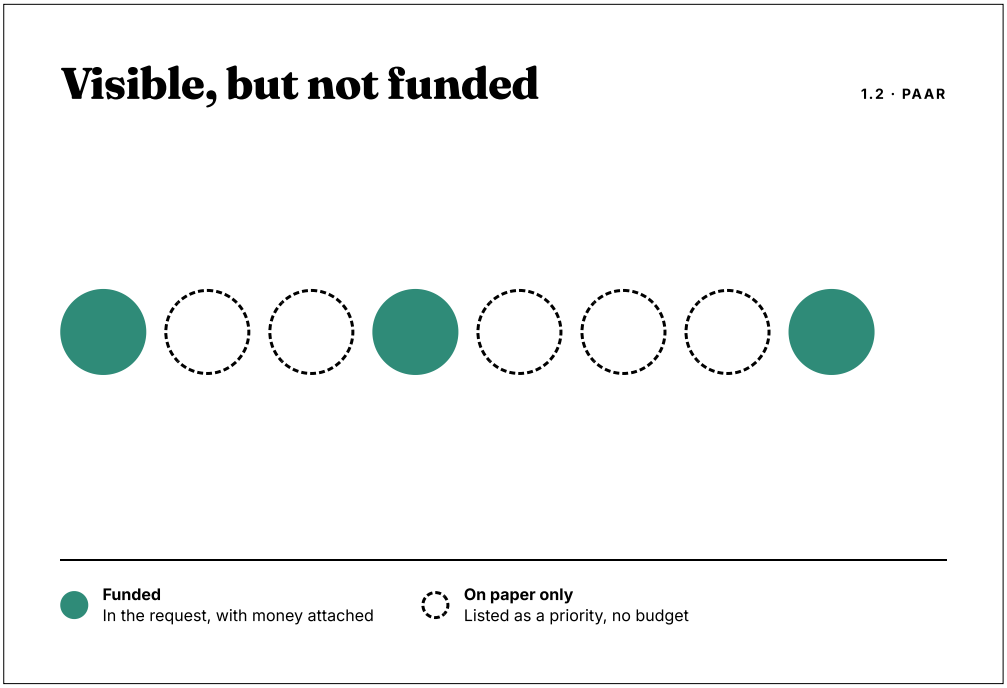
function as gatekeeping mechanisms. More broadly, the shift toward transition and domestic financing raises critical questions about the sustainability of community-led infrastructure. These dynamics do not affect all communities equally: populations that are criminalized or face structural barriers to engagement in decision-making spaces face particular risks, and community-led organizations serving these communities have become disproportionately dependent on the external funding sources that are now rapidly shrinking.

1. CHALLENGING FINANCIAL LANDSCAPES FOR COMMUNITY-LED SYSTEMS

1.1 Funding pressures on community-led organizations are compounding

Reduced Global Fund funding envelopes coincide with declining bilateral support for key population programming and other community initiatives. Some respondents described the Global Fund as one of the few remaining sources for community-led advocacy, human rights work and responses serving criminalized or marginalized populations.

1.2 Community priorities are particularly vulnerable when resources are reduced



Participants described a shift towards clinical and facility-based interventions during Grant Cycle 7 reprioritization, with reductions to prevention and outreach, community engagement, community-led monitoring and research, advocacy, human rights interventions and safe spaces.

> *"Funding for societal enablers – such as emergency legal aid funds, legal literacy workshops, anti-stigma campaigns with law enforcement, and shelter maintenance – was categorized as 'non-essential' and cut or omitted from core budgets."*

Particular concern was raised about reductions to community-led monitoring, research and other community-generated evidence used to identify service gaps and inform advocacy, accountability and programming. Respondents also reported reduced access to catalytic funding.

Community priorities were also described as being placed in the Prioritized Above Allocation Request (PAAR) rather than funded grant activities. This creates a gap between visibility and funding: priorities may appear in Funding Requests or the PAAR but ultimately receive no resources.

1.3 Funding reaching community-led organizations is small, indirect and administratively burdensome

Funding reaching community-led organizations was often described as insufficient to cover both activities and the organizational capacity required to deliver them. Small grants and limited indirect costs provide little support for staff and systems, while reporting, audit, procurement, and other compliance requirements can consume a disproportionate share of organizational capacity.

> *"The Global Fund can't [work] with a small organization working in the stress, working in the pressure, working in the shadow, with the same behavior... [as] a huge organization... and ask them the same documents, the same evidence, the same procedures. This is no more accessible."*

Funding was also described as short-term and unpredictable, making it difficult for organizations to retain staff, maintain systems and plan beyond individual grants.

1.4 Global Fund financing does not adequately sustain community systems

Participants distinguished between funding community activities and investing in the organizations and systems that sustain them. Inadequate organizational funding can result in the loss of staff, physical spaces, institutional capacity and relationships of trust developed over time.

> *"Funding is still heavily activity and service-delivery based, and there is much less investment in institutional strengthening, staff, organization systems, advocacy, leadership development, etc."*

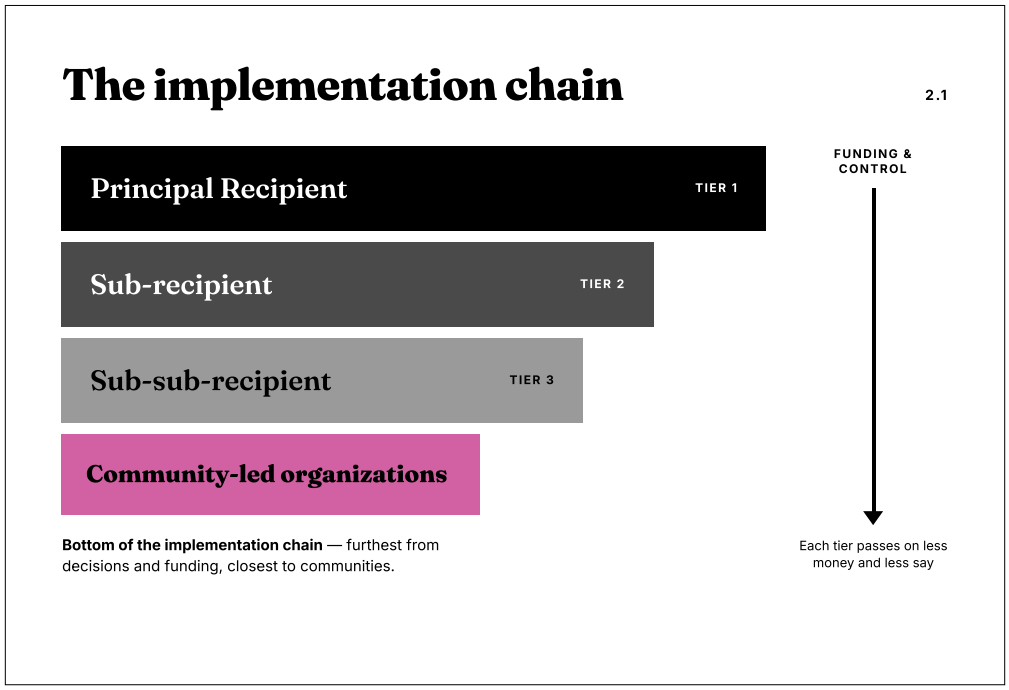
2. DIFFICULTIES ACCESSING GLOBAL FUND RESOURCES THROUGH EXISTING IMPLEMENTATION ARRANGEMENTS

Communities described substantial participation during country dialogue and Funding Request development, but considerably less visibility and influence as grants moved into negotiation, budgeting and implementation. Priorities identified during consultation could subsequently be changed, reduced or incorporated into other interventions, weakening community influence over the resources ultimately allocated.

> *"When that priority translated into a budget, that was rephrased and then put within the government priority. So, what the community really wanted in their activity has disappeared."*

For countries where Funding Requests are based on National Strategic Plans, similar barriers may arise where communities are unable to meaningfully engage in their development.

2.1 Community-led organizations are structurally positioned at the bottom of the implementation chain



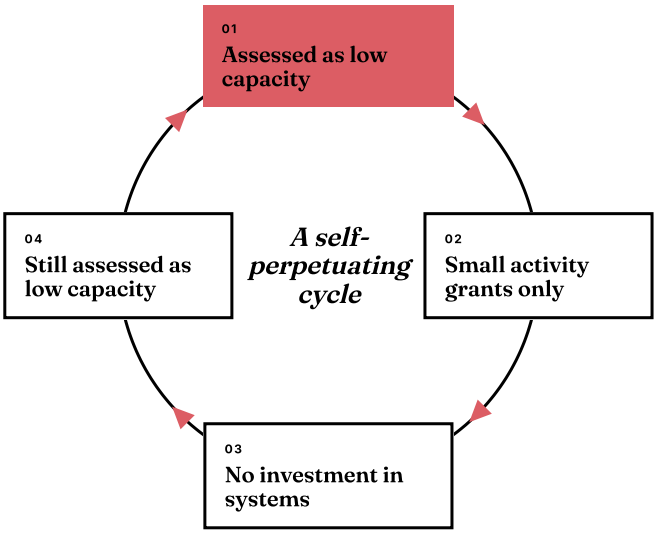
In general, respondents indicated that becoming a Principal Recipient was not seen as a pathway open to community-led organizations; some described serving as a sub-recipient as similarly impossible, with the only possible pathway to receiving funding being to serve as a sub-sub-recipient or to be contracted to deliver specific activities. As a result, community-led organizations are most frequently funded as sub-sub-recipients. This positioning reflects not merely preference, but structural barriers built into funding criteria and requirements.

> *"Communities have really been conditioned to be sub-recipients and not principal recipients, because I feel like the funding criteria for the Global Fund are just made or intertwined into these systems that automatically position organizations that are community-led to not qualify. Even though we have the experience and the expertise to do this work."*

This structural positioning creates a "capacity trap." Community-led organizations are assessed as lacking the institutional capacity required to manage larger grants, a determination that may reflect genuine resource constraints but also serves as the basis for limiting them to small activity grants. However, small activity grants provide little or no institutional investment, making it difficult for organizations to build the systems, staff

The capacity trap

2.1

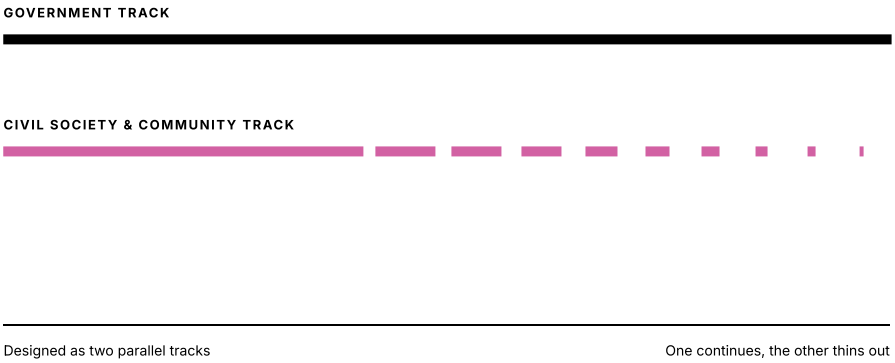


capacity, financial infrastructure and institutional development needed to qualify for larger grants in the future. The same lack of capacity is then cited as the reason community-led organizations cannot receive larger or more direct funding. The result is a self-perpetuating cycle.

2.2 Dual-track financing appears to be eroding in practice

Dual-track, eroding

2.2



Dual-track financing, in which a country has at least one government Principal Recipient and one nongovernmental Principal Recipient, provides an independent implementation route for civil society and communities. Respondents raised concerns that this approach may be eroding in practice through the consolidation of Principal Recipient arrangements and a reduction in civil society Principal Recipients. This can further concentrate funding among government and large NGO implementers, reducing the routes through which community-led organizations can be financed.

> *"Let us go back to why dual-track financing was started in the first place, and if we have addressed that problem."*

2.3 Sub-recipient and sub-sub-recipient selection can reproduce existing power relationships

Unlike Principal Recipient selection, which is determined by the Country Coordinating Mechanism, the appointment of sub-recipients and sub-sub-recipients is led by Principal Recipients. Respondents described limited transparency around funding opportunities and selection processes, with access to information often dependent on existing networks and relationships.

Selection processes can therefore favor organizations with existing relationships to Principal Recipients, larger NGOs with stronger technical and proposal-writing capacity, and organizations based in capital cities. Respondents described larger, established NGOs, including organizations working with particular populations but not led by them, being selected as "community" implementers over community-led organizations themselves.

> *"There was a gradual phasing out of the real community-led organizations and networks. And then the prop-up ones by the big NGOs became the ones that were really taking over intervention."*

Eligibility and due diligence requirements create additional barriers to entry in the implementation chain. Requirements related to legal registration, prior grant management experience, formal financial systems, audited accounts, procurement procedures, and institutional staffing can disproportionately exclude smaller community-led organizations. For

those operating in criminalized contexts or constrained civic space, requirements such as legal registration, formal premises, or established financial infrastructure may be impossible or unsafe to meet.

3. TRANSITION, INTEGRATION AND THE SHIFT TOWARDS DOMESTIC FINANCING

Accelerated transition, integration and the shift towards greater domestic financing raise significant questions about the sustainability of community-led responses. While transition planning increasingly focuses on governments assuming responsibility for commodities, clinical services and other program functions, less attention has been given to whether community-led organizations and community systems will have viable financing pathways as external funding declines.

3.1 Domestic financing does not guarantee sustainable financing for community-led organizations

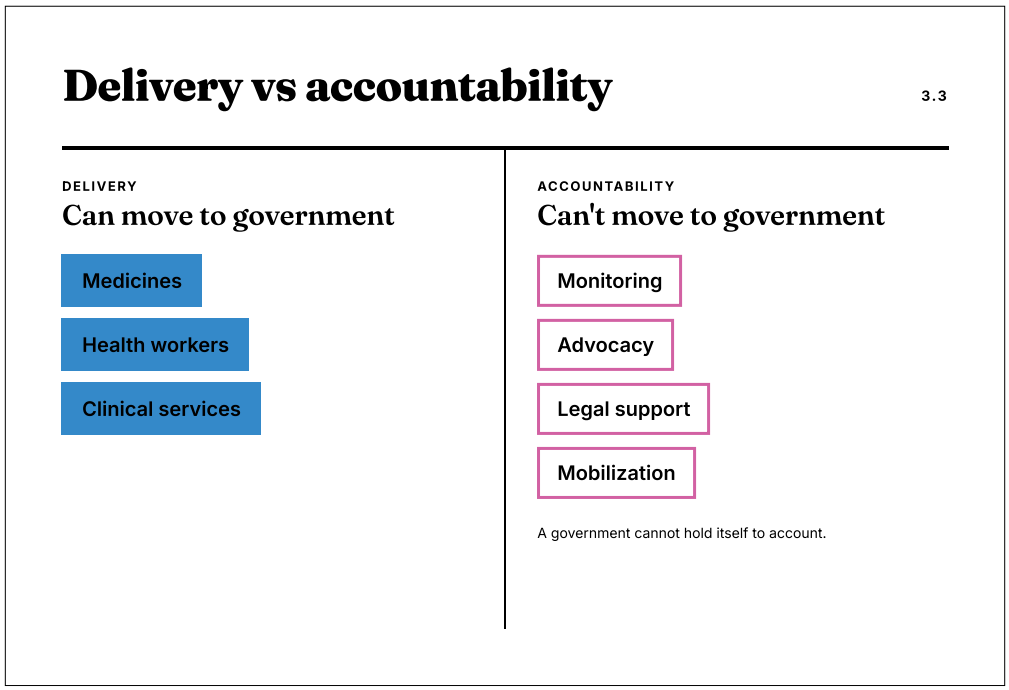
Increased domestic health financing does not necessarily establish mechanisms to sustain community-led organizations. Social contracting can provide a pathway for governments to finance community-led organizations, but respondents reported that such mechanisms are unavailable or inaccessible in many countries. Sustaining expenditure on HIV, TB and malaria is therefore not the same as sustaining the community systems that support the response.

For organizations representing criminalized populations, domestic financing may not be a viable alternative to Global Fund support. Organizations may be unable to legally register, qualify for government contracts or operate openly, while the institutions providing domestic financing may also be responsible for implementing laws and policies that criminalize the communities they represent.

Respondents also raised concerns about safety, where access to government financing requires organizations representing criminalized populations to share information about their work, staff or communities.

> *"When it comes to domestic funds or to the Global Fund managed by the ministries, all our data, all our work, we as workers, they're gonna have all our information. So there will be a guarantee for us. This is the main question."*

3.2 Integration can narrow the role of communities within health systems



Integration of HIV, TB and malaria into primary healthcare and broader health systems can support continuity and efficiency, but can also narrow the understanding of community response, particularly when community participation is associated primarily with community health workers or structures embedded within formal health systems.

Community health workers and community-led organizations perform important but different functions. While community-based service delivery extends formal health services into communities, independent community-led organizations may reach underserved populations, mobilize communities, generate evidence and advocate for changes in policy and practice. Integration of services is therefore not equivalent to the sustainability of community systems.

3.3 Some community-led functions cannot simply be transferred to government systems

Some community-led functions require independence from the institutions responsible for delivering the response. Community-led monitoring, advocacy, human rights and legal support, community mobilization and accountability cannot necessarily be absorbed into government systems in the same way as medicines, health workers or clinical services.

This creates a particular challenge for domestic financing, particularly for organizations representing criminalized or politically marginalized populations. As governments assume greater responsibility for national responses, independent community monitoring and advocacy remain important for identifying who is being missed and whether commitments are being implemented.

> *"The transition question is not only 'who will deliver the services?' but also 'who will monitor, advocate and hold the system accountable?"*

4. WHO IS BEING LEFT BEHIND?

Existing financing arrangements do not reach all populations equally. Across the consultations, examples included criminalized populations, people with disabilities, women and girls, prisoners and people in closed settings, migrants and refugees, people affected by conflict, people who use drugs, sex workers, transgender people, TB survivors, and communities in rural and remote areas. These examples illustrate how legal and political contexts, program definitions and geography can influence which populations are visible and funded within national responses.

4.1 Political exclusion, criminalization and program definitions can determine who receives funding

National legal, policy and epidemiological contexts affect how key and vulnerable populations are recognized and prioritized. Populations that are criminalized, politically sensitive or insufficiently reflected in national planning frameworks may therefore be less likely to have dedicated programs, budgets or measurable targets.

"If you can't say in your documentation that we've got these programs and we're reaching this many people, then those people are invisibilized, and we don't actually know if those people are being reached by services anymore."

This also raises questions about how country ownership is operationalized for populations whose needs are politically difficult to fund.

> *"Country ownership is not government ownership. Who is the country? The country is the people of the country."*

A financing model dependent predominantly on national prioritization can therefore leave gaps for populations that are not adequately recognized, prioritized or reached through national processes.

4.2 Gender and intersecting vulnerabilities can disappear within broad population categories

Broad population categories can obscure intersecting vulnerabilities. Women living with HIV, women who use drugs, sex workers and transgender people may experience overlapping stigma, violence, criminalization and exclusion that are not adequately addressed through programs organized around a single disease or population category. Gender, age and disability can create additional barriers that may not be captured through broader program approaches.

4.3 Conflict, displacement, migration and geography: gaps in country-based financing

Conflict, displacement and migration create particular challenges for financing organized through national institutions and geographically-defined country grants. Refugees, internally displaced people, and undocumented migrants may fall outside national planning and service-delivery systems, while legal or documentation requirements can create additional barriers or risks.

Geographic inequalities create similar gaps, with funding and community programs often concentrated in capitals and major urban centers, while rural, remote and border communities have fewer services and funding opportunities. Community-led organizations may retain trust, access and networks in populations poorly reached through conventional systems; where financing does not reach these organizations, communities may have few other routes to services and support.

Why Do Communities Need a Separate Funding Pathway?

The findings show that barriers to financing community-led organizations are cumulative. External funding is declining, existing Global Fund implementation arrangements do not reliably reach all community-led organizations, and the transition to greater reliance on domestic financing can further narrow available options. These barriers are greatest for organizations representing criminalized, politically marginalized and otherwise poorly served populations.

Existing funding mechanisms do not reliably reach community-led organizations

There is an important distinction between funding community activities and financing community-led organizations themselves. Community priorities may be included in Funding Requests without ultimately receiving resources, while Principal Recipient and sub-recipient selection, eligibility and due diligence requirements create further barriers to community-led organizations accessing funding.

Stronger community participation, dual-track financing, transparent implementer selection and proportionate requirements can address some of these barriers. They cannot, however, resolve situations in which community-led organizations cannot legally or safely access existing financing arrangements, or in which the populations they represent are not adequately recognized or prioritized through national processes.

Domestic financing will not close the gap for all community-led organizations

Domestic financing and social contracting can sustain some community-led organizations, but increased domestic health financing does not necessarily finance community organizations themselves. For organizations representing criminalized or politically marginalized populations, government financing may be inaccessible or unsuitable for functions such as independent monitoring, advocacy and accountability. Transition can therefore sustain clinical services while leaving the financing of community systems unresolved, particularly as other external sources of community financing decline.

Direct funding is needed where existing financing mechanisms cannot reach community-led organizations

Direct funding is needed where these barriers converge, and community-led organizations have no viable route to financing through country grants, domestic financing or social contracting. It is therefore complementary to, rather than a replacement for, these mechanisms.

Direct funding can be channeled through intermediary or regranting mechanisms able to finance smaller, unregistered or criminalized organizations that cannot access conventional implementation arrangements. Crucially, access would not depend on the government or Principal Recipient through which those organizations are unable to obtain funding.

Without direct funding, communities facing some of the greatest barriers to HIV, TB and malaria services will continue to have the fewest viable routes to Global Fund resources.

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