

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B33/ER14

Board Decision

PURPOSE: This document proposes three decision points as follows:

1. GF/B33/EDP20: Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation¹
2. GF/B33/EDP21: Decision on the Secretariat's Recommendation on Grant Extensions²
3. GF/B33/EDP22: Decision on the Secretariat's Recommendation on waiver of the Board condition for Congo HIV grant³

This document is part of an internal deliberative process of the Global Fund
and as such cannot be made public.

¹ Country concept notes: Azerbaijan TB, Bangladesh HIV, Cape Verde TB/HIV, Comoros malaria, Haiti HIV, Lao (People's Democratic Republic) HIV, Panama TB/HIV, Sri Lanka malaria and Zanzibar TB/HIV. Regional concept notes: Abidjan-Lagos Corridor Organization (OCAL) HIV, African Network for the Care of Children Affected by HIV/AIDS (ANECCA) HIV, ECSA-HC Uganda TB, Supranational National Reference Laboratory Humanist Institute for Cooperation with Developing Countries, Southern Africa (HIVOS) HIV, Removal of Legal Barriers (RLB) HIV. Total incremental funding: US\$116,509,926 and €7,452,928.

² Angola malaria (extension only with no incremental funding), Sri Lanka malaria (extension only with no incremental funding), Sri Lanka TB Total incremental funding: US\$379,615.

³ COG-911-G06-H.

I. Decision Points

1. Based on the rationale described in Section IV below, the following electronic decision points are recommended to the Board:

1.1 Set forth below is the Secretariat's recommendation to approve additional funding up to an amount of US\$116,509,926 and €7,452,928.

Decision Point: GF/B33/EDP20: Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation

The Board:

1. Approves the incremental funding recommended for each country disease component, and its constituent grants, as listed in Table 1 of Section IV to GF/B33/ER14 ("Table 1");
2. Acknowledges each country disease component's constituent grants will be implemented by the proposed Principal Recipients listed in Table 1, or any other Principal Recipient(s) deemed appropriate by the Secretariat in accordance with Global Fund policies;
3. Affirms the incremental funding approved under this decision (a) increases the upper-ceiling amount that may be available for the relevant implementation period of each country disease component's constituent grants, (b) is subject to the availability of funding, and (c) shall be committed in annual tranches; and
4. Delegates to the Secretariat authority to redistribute the overall upper-ceiling of funding available for each country disease component among its constituent grants, provided that the Technical Review Panel (the "TRP") validates any redistribution that constitutes a material change from the program and funding request initially reviewed and recommended by the TRP.

This decision does not have material budgetary implications for the 2015 Operating Expenses Budget.

1.2 Set forth below is the Secretariat's recommendation to approve grant extensions.

Decision Point: GF/B33/EDP21: Decision on the Secretariat's Recommendation on Grant Extensions

The Board:

1. Approves extension of the relevant implementation period for each grant listed in Table 2 of Section IV to GF/B33/ER14.

This decision does not have material budgetary implications for the 2015 Operating Expenses Budget.

1.3 Set forth below is the Secretariat's recommendation to waive the Board condition imposed in the Congo HIV grant (COG-911-G06-H) concerning the disbursement of relevant grant funds.

Decision Point: GF/B33/EDP22: Decision on the Secretariat's Recommendation on waiver of the Board condition for Congo HIV grant (COG-911-G06-H).

The Board:

1. Approves waiver of the Board condition imposed in the Congo HIV grant (COG-911-G06-H) restricting the "use of funds to finance activities other than (i) the procurement of Health Products and Pharmaceuticals and (ii) other activities deemed essential in the framework of the program," and

2. Approves disbursement of grant funds to the principal recipient the Secretariat Executif Permanent/Comité National de Lutte contre le SIDA (SEP /CNLS) to conduct activities essential to the implementation of the HIV program.

This decision does not have material budgetary implications for the 2015 Operating Expenses Budget.

II. Relevant Past Decisions

1. Pursuant to the Governance Plan for Impact as approved at the Thirty-Second Board Meeting,⁴ the following summary of relevant past decision points is submitted to contextualize the decision points proposed in Section I above.

Relevant Past Decision Point	Summary and Impact
GF/B33/EDP15: Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation	This decision point refers to the funding recommendation with regards to the Sri Lanka TB grant ⁵ approved by the Board on 11 September 2015.
GF/B31/DP12: Extension Policy under the New Funding Model⁶	This decision point establishes the current policy, based on which the extensions described in this report are granted and reported by the Secretariat or otherwise recommended to the Board for approval.
GF/B30/EDP08: Decision on the Secretariat's Funding Recommendations for Grant Renewals (including Interim Applicants)	This decision point refers to the funding recommendation with regards to the Congo HIV grant (COG-911-Go6-H). Through the current report the Secretariat requests waiving the Board condition restricting the disbursement of grant funds as described in the Section V below.

III. Supporting Documentation

1. Please find here a list of documents provided per disease component to substantiate the Board decision. All relevant documents containing the Secretariat's reasoning for its recommendations to the Board and the funding requests and associated comments have been posted on the Governance Extranet available at this [link](#).
 - a. Concept Note
 - b. Concept Note Review and Recommendation Form
 - c. Grant Confirmation
 - d. TRP Clarification Form (applicable only if the TRP requested clarifications)

⁴ GF/B32/DP05: Approval of the Governance Plan for Impact as set forth in document GF/B32/08 Revision 2 (<http://www.theglobalfund.org/Knowledge/Decisions/GF/B32/DP05/>)

⁵ LKA-T-MOH

⁶ GF/B31/DP12: Extension Policy under the New Funding Model (<http://www.theglobalfund.org/Knowledge/Decisions/GF/B31/DP12/>)

IV. Summary of the Deliberations of the Secretariat's Grant Approvals Committee

01 Table 1: Secretariat's Funding Recommendation on Additional Funding from the 2014 Allocation

	Applicant	Component	Grant Name	Grant End Date	Currency	Total Program Budget	Existing Funding	Incremental Amount for Board Approval	Recommended Total Incremental Funding	Incentive Funding included in Total Incremental Funding	Unfunded Quality Demand	Domestic Commitment
1	Azerbaijan	TB	AZE-T-MOH	30 June 2018	US\$	10,976,139	4,613,354	6,362,785	6,362,785	-	0	53 million
2	Bangladesh	HIV/AIDS	BGD-H-NASP	30 November 2017	US\$	14,287,612	0	680,213	10,249,603	-	2,321,421	24.1 million
			BGD-H-SC	30 November 2017	US\$		1,905,639	5,896,316				
			BGD-H-ICDDRB	30 November 2017	US\$		2,132,370	3,673,074				
3	Cape Verde	TB/HIV	CPV-C-CCSIDA	31 December 2017	€	2,353,542	213,186	2,140,357	2,140,357	-	220,270	3.8 million
4	Comoros	Malaria	COM-M-PNLP	31 December 2018	€	6,353,107	1,656,155	4,696,952	4,696,952	384,037	0	1 million
5	Haiti	HIV/AIDS	HTI-C-PSI	31 December 2017	US\$	45,055,551	1,907,173	43,148,378	43,148,378	-	0	49 million
6	Lao (People's Democratic Republic)	HIV/AIDS	LAO-H-GFMOH	31 December 2017	US\$	8,374,163	2,073,717	6,300,446	6,300,446	1,297,436	812,789	4.6 million
7	Panama	TB/HIV	PAN-C-UNDP	31 December 2018	US\$	7,174,723	1,294,770	5,879,953	5,879,953	-	0	92.6 million

8	Sri Lanka	Malaria	LKA-M-MOH	31 December 2018	US\$	7,406,075	3,747,266	3,658,809	3,658,809	-	0	17.8 million
9	Zanzibar	TB/HIV	QNB-C-MOH	31 December 2017	US\$	10,224,371	1,105,518	9,118,853	9,118,853	728,547	270,108	2.76 million

Regional grants

	Applicant	Component	Grant Name	Grant End Date	Currency	Total Program Budget	Existing Funding	Incremental Amount for Board Approval	Recommended Total Incremental Funding	Incentive Funding included in Total Incremental Funding	Unfunded Quality Demand	Domestic Commitment
1	Abidjan-Lagos Corridor Organization (OCAL)	HIV/AIDS	QPF-H-ALCO	30 June 2018	€	8,476,296	7,860,677	615,619	615,619	-	540,881	-
2	African Network for the Care of Children Affected by HIV/AIDS (ANECCA)	HIV/AIDS	QPA-H-ANECCA	30 June 2018	US\$	3,666,845	0	3,666,845	3,666,845	-	0	-
3	ECSA-HC Uganda Supranational National Reference Laboratory	TB	QPA-T-ECSA	31 October 2019	US\$	6,136,774	0	6,136,774	6,136,774	-	0	-
4	Humanist Institute for Cooperation with Developing Countries, Southern Africa (HIVOS)	HIV/AIDS	QPA-H-HIVOS	31 December 2018	US\$	11,465,336	0	11,465,336	11,465,336	-	2,670,950	-
5	Removal of Legal Barriers (RLB)	HIV/AIDS	QPA-H-UNDP	30 September 2018	US\$	10,522,144	0	10,522,144	10,522,144	-	0	-

02 Table 2: Secretariat’s Recommendation on Grant Extensions

Country	Disease Component	Grant Name	Currency	Period of Extension (Months)	Additional Funding	Rationale
Angola	Malaria	AGO-M-MOH	US\$	12	0	To prevent the disruption of services and stock-out of ACTs.
Sri Lanka	TB	SRL-607-G07-T	US\$	3	379,615	To allow for continuation of grant activities while the review and signing of the Framework Agreement is being processed by the country.
Sri Lanka	Malaria	SRL-809-G10-M	US\$	3	N/A	

03 Summary of the Deliberations of the Secretariat's Grant Approvals Committee (GAC) on Funding Recommendations

The GAC recommends for Board approval the following grants with the total budget and incremental amounts for the periods listed in Table 1 above. The grants have been found to be disbursement-ready by the Global Fund Secretariat through a thorough review process and in consultation with partners.

The concept note for each country component was submitted for review, reviewed by the TRP and determined to be strategically focused and technically sound. The TRP, upon its review, highlighted issues for the applicant to clarify or address during grant-making.

The GAC considered and endorsed the TRP's recommendations and provided an additional level of review. At the time of its first review, the GAC set the upper-ceiling funding amount for grant-making, awarded incentive funding bearing in mind TRP recommendations on the prioritization of the above allocation request, and identified other issues for the applicant to consider as the grant was prepared to be disbursement-ready.

During grant-making, the applicant refined the grant documentation, addressed issues raised by the TRP and GAC and sought efficiencies where possible. In its second review, the GAC reviewed the final grant documentation for disbursement-readiness and confirmed that the applicant addressed issues requested for clarification by the TRP to its satisfaction. Additionally, the GAC endorsed the reinvestment of efficiencies in one of the following: (i) the areas recommended by the TRP; (ii) in other disease components of the same applicant – in the case that the TRP did not provide such recommendations; or (iii) into the general funding pool.

Each applicant has met the counterpart financing requirements as set forth by the Eligibility and Counterpart Financing Policy.

Abidjan-Lagos Corridor Organization HIV Grant (QPF-H-ALCO)

1.1 The strategic focus of the Abidjan-Lagos Corridor Organization (OCAL) program is to address, along the corridor between Côte d'Ivoire, Ghana, Togo, Benin and Nigeria, the needs of key populations. The grant seeks to reduce new HIV infections by 30 percent among truckers and other mobile populations, sex workers, men who have sex with men, young women and girls, and people who inject drugs (through a pilot risk-reduction intervention for needle exchange at the border between Benin and Nigeria); decrease the number of deaths due to AIDS among key populations by 50 percent; reduce stigma, discrimination and violence among key populations by 30 percent through the provision of legal assistance to mobile and key populations and through the promotion of gender and human rights; and strengthen the governance, coordination, leadership, and monitoring and evaluation of the program to complement the national responses of the member countries.

1.2 GAC review and recommendations. GAC partners expressed strong support for the OCAL grant, noting the Global Fund's unique capacity to fund such regional programs. GAC partners offered assistance in ensuring that activities and health products are successfully transferred to the respective country programs, and expressed their commitment to support political dialogue around the signing of memorandums of understanding between the five member countries and OCAL. The Secretariat reinforced to partners the strong links between the OCAL program and its counterparts in country to avoid duplication and maximize the impact of interventions, noting in particular the planned integration of health management systems to ensure lower loss to follow-up after patient referral.

African Network for the Care of Children Affected by HIV/AIDS Grant (QPA-H-ANECCA)

1.3 The strategic focus of the African Network for the Care of Children Affected by HIV/AIDS (ANECCA) program is to improve the coverage and quality of HIV care, treatment and support for children and adolescents living with HIV in the seven sub-Saharan African countries characterized by particularly

low pediatric ART coverage levels, which are Burundi, Ethiopia, Malawi, Nigeria, South Sudan, Tanzania (United Republic) and Uganda. To achieve this, the program seeks to promote the adoption and implementation of policies that increase coverage and quality of pediatric and adolescent HIV care, treatment and support; improve the capacity of HIV service providers in the provision of HIV care, treatment and psychosocial support to children and adolescents living with HIV; and identify and document innovative approaches and best practices on pediatric and adolescent HIV care, treatment and support, among other activities.

1.4 GAC review and recommendations. The gap in treatment coverage of adolescents and children is being recognized as a major failing of HIV treatment programs both internationally and regionally. Across sub-Saharan Africa, there is an increasing focus in the treatment gap between HIV infected adults and HIV infected children. Investments through a regional program will help to address this gap, while also enhancing and accelerating the impact of country-level investments. ANECCA is regarded as a leader on pediatric issues in Uganda, and has significant experience in facilitating specific technical cooperation for pediatrics across Africa, although it has not previously received a Global Fund grant. The GAC recognized that investments through ANECCA have a high potential for sustainability of outcomes through addressing issues at the policy level and training local pediatricians and community workers as trainers, while also linking local pediatricians to a network of African providers. However, while the concept note was developed with representatives from the seven countries including representatives from the AIDS Control Programs and the CCMs, the GAC stressed that during implementation ANECCA will also need to communicate with implementing partners in participating countries to ensure harmonization of efforts to increase HIV treatment rates in children and adolescents.

Azerbaijan TB Grant (AZE-T-MOH)

1.5 The program focuses on the strategic areas of early detection, diagnosis, treatment and prevention of multidrug-resistant TB; community TB care; improving the response to TB/HIV co-infection; and improving TB-surveillance. The program will also pursue bold policies to sustain political commitment to provide adequate resources for TB care and prevention; enhance the response to the TB epidemic by engaging communities, civil society organizations and public and private providers; strengthen advocacy, and communication and social mobilization; and contribute to social protection, poverty alleviation and other actions to address other determinants of TB. These strategies will contribute to the goals of the national strategic plan for TB, which aims to reduce the socio-economic burden of TB in Azerbaijan by 2020 through significant decline in prevalence and mortality of all forms of TB.

1.6 Domestic contributions. The government of Azerbaijan has significantly increased TB-related spending from US\$15.5 million in 2013 to US\$53 million in 2015, and committed to further increase such spending by 22 percent over the program implementation period. The Ministry of Health of Azerbaijan has procured approximately 42 percent of second-line drugs for patients with drug-resistant forms of TB from 2013 to 2014 and committed to fund all second-line drugs starting in 2018. As part of the national strategic plan, the government of Azerbaijan commits to continue financing the Global Fund-initiated activities past the 2016 to 2017 implementation period. The disbursement of the funds under this grant will be conditional upon Azerbaijan approving and endorsing the national strategic plan.

Bangladesh HIV Grants (BGD-H-SC, BGD-H-ICDDR and BGD-H-NASP)

1.7 The strategic focus of the program is to minimize the spread of HIV and minimize the impact of AIDS on the individual, family, community and society. To achieve this goal, the program plans to build the capacity of partners in order to increase the scale of the national response to the HIV/AIDS epidemic, including capacity-building initiatives for implementing partners and high-level advocacy for creating an enabling environment, while continuing to provide HIV prevention services for key populations including HIV testing and counseling and community outreach, as well as treatment, care and support to ensure delivery and adherence to ART among people living with HIV.

1.8 Domestic contributions. Government contributions to the health sector in Bangladesh, including the HIV program, have been steadily increasing. Prevention activities and care for people living with HIV are still predominantly financed with Global Fund support. However, partial transition of responsibility for treatment has been initiated by the government with the procurement of all ARV drugs.

1.9 Office of the Inspector General recoveries. As a result of an investigation by the Office of the Investigator General (OIG) revealing fraudulent expenditures of US\$ 2.1 million by a sub-recipient, and following subsequent inability to recover those amounts, US\$4.2 million was withheld from the Bangladesh allocation for this implementation period. This is in line with the management decision, reported to the Board at its Thirty-Third meeting,⁷ to apply a reduction of funding of twice the outstanding recoverable amounts (“2:1 reduction of funding”), as an exceptional measure to resolve difficult recoveries cases. Accordingly, US\$2.1 million was deducted from the TB program and US\$2.1 million from the HIV program, thus lowering the program budgets available by these amounts. Targets set in the performance framework for HIV have been aligned with the maximum optimized coverage possible to achieve impact in light of these deductions.

1.10 GAC review and recommendations. The GAC acknowledged the Global Fund’s positive relationship with the Government of Bangladesh, despite past OIG issues. GAC partners expressed support for the increase in testing targets for people who inject drugs and highlighted the need for policies to support increased HIV testing among TB patients in the context of the concentrated HIV epidemic setting. GAC partners requested that the Global Fund closely monitor the legal and stigma-related barriers for key populations throughout implementation, so that such issues do not become magnified. The Secretariat acknowledged the essential role of in-country partners in terms of planning and operations, particularly in ensuring correct geographical prioritization of interventions according to the epidemiological context.

Cape Verde TB/HIV Grant (CPV-C-CCSIDA)

1.11 Cape Verde has strategic plans for HIV (spanning 2011-2017) and tuberculosis (spanning 2015-2019), and is developing a joint plan for TB/HIV co-infection that details the strategies and interventions concerning joint activities as well as maximizing funding availability, improving resource allocation, and harmonizing TB and HIV services for greater effectiveness. However, currently only 55 percent of patients eligible for treatment are on ART, there is need for better articulation of HIV interventions for key populations, the country has experienced health workforce shortages, and drug stock-outs have been a problem during the current implementation period. In this regard, the program will invest in measures to strengthen supply and management of health products, complemented by technical cooperation, to build national capacities and training on stock management. To guarantee the gradual increase in ART coverage, the program plans to adopt a decentralized approach to management of treatment and care through health care facilities. With regard to access to ART, the Ministry of Health has identified people who use drugs as a priority group, and in this case, going forward all HIV-positive persons in this group who are diagnosed are directly put on ART. Other program priorities include plans to strengthen socio-economic support for people infected with and affected by HIV, especially among groups who exhibit risky behavior, as well as advocacy for and the establishment of an appropriate ethical framework and legal environment for all to safely access treatment and care.

1.12 Domestic contributions. The Government of Cape Verde has gradually increased its share of the health budget, investing an additional 26 percent during this allocation period. Government contributions go toward the purchase of diagnostic tests and other laboratory facilities, ART, human resource costs for TB, TB commodities, and commodities for co-infected patients, as well as health systems strengthening measures. The country also intends to establish a national health funding strategy, strengthen institutional relations at the central and local level to stimulate contributions to health care funding, strengthen cooperative funding for the health system, identify special niches for private funding, and strengthen the way health system funds are distributed.

Comoros Malaria Grant (COM-M-PNLP)

1.13 The strategic focus of the program is to reduce malaria incidence to less than 1 per 1,000 population by 2017 through the renovation and provision of equipment as well as support for the operations of the national malaria control program throughout its branches on Comoros’ main islands. Further strategies to reach this goal include providing free health care for all cases of malaria as well as encouraging appropriate malaria prophylaxis for travelers in control zones. The GAC acknowledged that in the revised concept note

⁷ Report of the Thirty-Third Board Meeting GF/B33/24.

the country provided more detailed and improved epidemiological stratification of the country with clear identification of population size, transmission risks and the different malaria control strategies to be deployed for each strata. The GAC, however, noted that for the moment the proposed approach to maintain long-lasting insecticidal net universal coverage only on the island of Grande Comore and not maintaining high coverage with vector control on the islands of Anjouan and Mohéli poses a risk of malaria outbreaks, given that the surveillance system is not robust and is unlikely to be able to detect and respond adequately to any upsurge in cases. Furthermore, the GAC expressed concern that a robust outbreak response mechanism has not yet been developed to allow the country to respond with indoor residual spraying in the event of an epidemic. In view of the above, the GAC recommended that the CCM actively find opportunities to gain efficiencies during grant implementation, and such efficiencies should be reinvested in long-lasting insecticidal nets to achieve universal coverage while continuing to strengthen monitoring and evaluation, health information systems and surveillance systems and establishing an effective outbreak response system. GAC partners also requested that the investments planned for strengthening community systems should be ensured, and attention should be given to strengthening the engagement of women in the program.

1.14 **Domestic contributions.** Total domestic financial commitments amount to €1 million, which represents 6 percent of total resources available for the next implementation period and a 3 percent increase from the previous allocation period. This contribution supports the operational costs for the national malaria control program.

East, Central and Southern Africa Health Community Uganda Supranational National Reference Laboratory TB Grant (QPA-T-ECSA)

1.15 **The strategic focus of this program** is to build a regional network of national TB reference laboratories for inter-state laboratory quality assurance and management in 18 countries of the eastern, central and southern Africa health community; improve laboratory service provision for quality assured first- and second-line drug susceptibility testing accessible to people in need; enhance the impact of rapid molecular TB diagnostic testing in the region; and build capacity of national TB reference laboratories to undertake epidemiological and national level disease monitoring surveys including drug resistance and TB prevalence surveys. The countries included in the grant are Botswana, Burundi, Eritrea, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Somalia, South Sudan, Swaziland, Tanzania (United Republic), Uganda, Zambia and Zimbabwe.

1.16 **GAC review and recommendations:** The lack of TB diagnostic capacity in the 18 countries that constitute the ECSA Health Community is well documented, including challenges with external quality assurance, drug resistance testing, expansion of molecular technology and human resources. The need for quality laboratories in the region is heightened given their role in the diagnosis of all forms of TB and particularly in the diagnosis of drug-resistant TB. A regional laboratory can offer change from the usual paradigm of intermittent technical support and erratic training toward consistent, continued, comprehensive and unified support and ongoing training. GAC partners recommended the ECSA Health Community consider including or engaging South Africa (with the Supranational Reference Laboratory) in the program given its expertise, role and influence on the other participating countries, especially Swaziland, Lesotho, Malawi, Zambia and Zimbabwe. In addition, as there are large movements of mobile populations across Southern Africa, inclusion of the South Africa Supranational Reference Laboratory will contribute to maximizing impact within the region.

Haiti TB/HIV Grant (HTI-C-PSI)

1.17 **Joint TB/HIV program.** Although Haiti submitted a joint TB/HIV concept note as a country with a high rate of TB/HIV confection, the current grant includes only the HIV component for reasons of timing and alignment with the national planning cycle. The TB component will be integrated into the program in early 2016.

1.18 **The strategic focus of this program** is to stabilize seroprevalence among adults, increase the survival rate for adults and children living with HIV on ART, and reduce the proportion of HIV-positive babies born to mothers living with HIV. Haiti aims to achieve these goals by introducing rapid point-of-care HIV testing

and counseling by peer educators at the community level, peer-facilitated linkage to care, and the training of health center personnel on a wide range of HIV prevention modalities that focus on men who have sex with men and sex workers. Target outcomes include stabilizing the HIV seroprevalence among adults aged 15 to 49 at 2 percent by 2018, increasing the survival rate for adults and children living with HIV taking ART from 76 to 95 percent by 2018, and reducing the proportion of HIV-positive babies born to mothers living with HIV to 2 percent by 2018.

1.19 Domestic contributions. Total domestic financial commitments for the TB and HIV programs amount to US\$49 million, which represents 8 percent of total resources available for the next implementation period. The government has also committed an additional US\$4 million to the diseases during the next allocation period. The applicant is expected to describe plans on how it plans to absorb salary costs of added community-level health workers in 2018 and beyond. However, recurrent natural disasters and backlashes of the cholera epidemic that started in 2010 may jeopardize government commitments to HIV over the next three years, as emergencies might force reallocations in national budgets.

1.20 GAC review and recommendations. The GAC and partners expressed their support for the Haiti TB/HIV program and emphasized that several much-needed interventions were included in the grant. GAC partners highlighted that the quality and availability of data remains a serious issue in regard to understanding and informing treatment adherence and retention on ART, underlining the importance of capturing individual-level patient data over the long term. In this regard, the GAC acknowledged that the primary sub-recipients have strong data systems and the implementation of DHIS2 should further enable the output of higher quality, timely and representative data that can be used to better target interventions. The GAC noted that such targeting already markedly improved during grant-making. It was also noted that civil society has a strong role to play during grant implementation, especially considering the need to engage at the community level to expand access to the most impactful interventions.

Humanist Institute for Cooperation with Developing Countries, Southern Africa (HIVOS) HIV Grant (QPA-H-HIVOS)

1.21 The strategic focus of this program is to contribute to the reduction in HIV infections and HIV-related deaths among key populations in Southern Africa through improved access by key populations to HIV prevention, testing and treatment services in the eight focus countries of Botswana, Lesotho, Malawi, Namibia, South Africa, Swaziland, Zambia, and Zimbabwe. The grant aims to strengthen regional networks to work strategically and efficiently together and with others; improve data collection and use, knowledge management scale up, and replication of best practices for more responsive national level programming and policies; and develop a unified key population-led voice and disseminate messaging co-created with key populations that aims to shift attitudes and beliefs and reduce stigma and discrimination that are barriers to HIV prevention, testing and treatment services.

1.22 GAC review and recommendations. GAC partners noted the unique diversity of key population groups that are mobilized under the HIVOS regional program to work together to advocate for policy change and change of attitudes and beliefs, with the goal of reducing HIV incidence and mortality among key populations and increasing the sustainability of the AIDS response. The GAC welcomed the opportunity provided by this grant to build a platform for key populations and to support these groups in a manner that would not be possible through a single-country grant. The GAC also noted the program's potential to effect change across the region and to become a catalyst for the rest of the continent. Considering that a number of key populations, including sex workers and men who have sex with men, are legally prosecuted in countries of the region, the GAC highlighted that it is crucial for HIVOS to build strong partnerships with HIV/AIDS partners and to seek opportunities to negotiate safe spaces with law enforcement at national and local sites in order to allow partners to implement programs without risk for outreach workers and key populations. The GAC emphasized the importance of engaging country stakeholders from the onset of grant implementation particularly with regards to the policy and capacity building component of the program, in order to ensure country ownership and commitment and to ensure program sustainability after the end of the grant.

1.23 GAC review and recommendations. In addition, the GAC noted the significant potential for synergy and overlap between the HIVOS regional program and other regional efforts, particularly regarding

potential overlap in sub-recipients between HIVOS and the Removal of Legal Barriers (RLB) regional program funded by the Global Fund. In this regard, the GAC stressed the importance of strong collaboration and, as a result, HIVOS and RLB will work as close allies to i) ensure that the work undertaken by both organizations on training and sensitization of the justice sector are mutually reinforcing and avoid duplication; ii) collaborate on issues of human rights and act as referral points for human rights for the regional networks and to implementing organizations; and in addition, iii) explore sharing representation on both oversight committees and engaging in joint monitoring of progress in implementation throughout the duration of the grant.

Lao (People's Democratic Republic) HIV Grant (LAO-H-GFMOH)

1.24 The strategic focus of this program is ending the transmission of HIV and alleviating the impact of HIV/AIDS in Lao (People's Democratic Republic). The program's strategies focus on scaling up interventions for key populations of men who have sex with men and female sex workers, prevention of mother-to-child transmission, as well as treatment, care and support and prevention for the general population through blood safety measures. Key elements of the approach include increasing coverage of men who have sex with men and female sex workers in prioritized provinces through improved outreach to community groups, expanding service provision by peer educators to encompass continuum of care, and enhancing collaborative TB/HIV activities. Impact and outcomes of the proposed program by 2017 include 68 percent of men who have sex with men and female sex workers who receive an HIV test knowing their result, 51.6 percent of adults and children living with HIV receiving antiretroviral treatment and 100 percent of HIV-positive TB patients receiving ART during TB treatment.

1.25 Domestic contributions. Total domestic financial commitments amount to US\$4,561,666, which represents 23 percent of total resources available for the next implementation period. Government expenditures during the next allocation period will primarily be made on operational costs of health centers and facilities and salaries for staff. The government also plans to invest in the construction and renovation of several antiretroviral treatment sites, laboratory equipment for blood testing and counseling units.

Panama TB/HIV Grant (PAN-C-UNDP)

1.26 The strategic focus of the program is to strengthen and scale-up the HIV and TB prevention response in Panama. To achieve these goals, the HIV program will provide prevention services and HIV diagnosis among key populations. The program also aims to strengthen human resources from civil society and the public health system in pre- and post-test counseling and self-help groups for people living with HIV. The TB program will deliver prevention and treatment in key geographic areas, including metropolitan regions and indigenous communities. The program will also focus on removing legal barriers and promoting human rights, as well as capacity strengthening of civil society organizations through technical cooperation.

1.27 Domestic contributions. Total domestic financial commitments are US\$88.5 million for HIV and US\$4.1 million for TB, representing 94 percent of total resources available for HIV and 62 percent of available resources for TB in the next implementation period. Furthermore, the Ministry of Health has committed to provide continuity to those key activities proven successful during implementation of the grant, including hiring national nongovernmental organizations to continue the provision of HIV and TB services.

Removal of Legal Barriers HIV Grant (QPA-H-UNDP)

1.28 The strategic focus of the Removal of Legal Barriers (RLB) regional program is to strengthen evidence-based legal reform; access to justice and enforcement of supportive laws; regional and national mechanisms to prevent and address human rights violations; and improve the capacity of regional nongovernmental organizations to take on Principal Recipient roles. The grant will undertake work in Botswana, Côte d'Ivoire, Kenya, Malawi, Nigeria, Senegal, Seychelles, Tanzania (United Republic), Uganda and Zambia. The grant aims to achieve these goals by supporting policy development, law review and reform, policy advocacy on legal rights, strategic litigation and advocacy, and profiling of court cases. Target outcomes include three countries completing legal environment assessments and validating national action

plans, representatives of key stakeholders from nine countries attending 18 workshops on human rights-related needs of key populations and a minimum of four cases being taken forward for strategic litigation.

1.29 GAC review and recommendations. GAC partners expressed strong support for the regional program, noting its strong links to the HIVOS regional program in Southern Africa through bi-annual meetings and exchange of tools and data to ensure synergies between the two. The Secretariat reassured partners that RLB regional program partners had worked closely with the linked country programs to ensure efficient implementation. Additionally, partners were informed that UNDP, the Principal Recipient, is working on a plan to transition the grant to local programs currently functioning as sub-recipients. The Global Fund Community, Rights and Gender Department underscored to the GAC that grant-making was a positive and collaborative experience.

Sri Lanka Malaria Grant (LKA-M-MOH)

1.30 The strategic focus of the program is to maintain zero mortality due to indigenous malaria in Sri Lanka, to sustain malaria-free status by preventing re-introduction of malaria in Sri Lanka and to be eligible for WHO certification of malaria elimination in Sri Lanka by 2016. To reach these goals, the program plans to tackle imported malaria cases through early case detection and treatment; improve systems for outbreak preparedness, prevention and response; strengthen entomological surveillance and vector control; as well as improve program management and performance to maintain skills among health staff and build capacity for prevention of reintroduction in the country, among other activities.

1.31 Domestic contributions. Contributions by the Sri Lankan government in this implementation period meet 63 percent of the funding need. Government resources primarily support a large share of the human resource costs at the malaria program headquarters and regional offices as well as insecticides for indoor residual spraying, consumables and supplies for routine parasitological surveillance work, out-patient and in-patient care, and the maintenance of vehicles and utilities. Additionally, Sri Lanka's tax-financed primary health care system is highly accessible and provides universal coverage. The government doubled its budget for this "free medicine for all" program from 2012 to 2014 to improve availability of medicines in government institutions.

Zanzibar TB/HIV Grant (QNB-C-MOH)

1.32 The strategic focus of this program is to prevent the spread of HIV infection among the people of Zanzibar, provide quality continuum of care to all people living with HIV, mitigate negative psychosocial outcomes associated with HIV and reduce the incidence of TB and leprosy by 25 percent and mortality by 50 percent by 2019. This will be achieved through innovative interventions such as escorted referral programs for HIV-positive pregnant women to treatment clinics post-delivery, behavior change programs in areas frequented by key populations, and orienting non-health workers on TB workplace policy guidelines. Target outcomes include increasing the percentage of HIV-positive pregnant women who receive ART from 69.5 percent in 2014 to 90 percent in 2017; increasing HIV prevention program coverage from 19 percent to 82 percent for men who have sex with men, from 54 percent to 82 percent for people who inject drugs and from 17 percent to 83 percent for sex workers by 2017; increasing the number of notified cases of all forms of TB from 40 percent in 2014 to 90 percent in 2017; and increasing the percentage of HIV-positive registered TB patients who are given ART during TB treatment from 79.6 percent in 2014 to 95 percent in 2017.

1.33 Recoverable amounts. A report from the Office of the Inspector General released in October 2012 found instances of unsupported or ineligible expenditures totaling a recoverable amount of US\$411,960. The total recoverable amount was paid in February and June of 2015. As a risk mitigation measure, the Secretariat has engaged a technical cooperation facilitator to build capacity in financial management.

1.34 Domestic contributions. Government expenditures during the next allocation period, totaling US\$1.78 million for HIV and US\$0.98 million for TB, will primarily be made toward health care workers who deliver HIV and TB services. Total domestic financial commitments total 7 percent for HIV and 21 percent for TB of the total resources available for the next implementation period. These contributions include government investment of US\$131,000 to support the procurement and distribution of essential

drugs for opportunistic and sexually transmitted infections, provision of safe blood, laboratory reagents, and training of service delivery staff.

V. Additional Matters

01 Extensions Approved by the Secretariat Pursuant to Its Delegated Authority

The Secretariat hereby notifies the Board that it has approved extensions to the grants listed in Table 3 below in accordance with the Board decision GF/B31/DP12.

Table 3: Grant Extensions Approved by the Secretariat

Country	Disease Component	Grant Name	Currency	Period of Extension (Months)	Additional Funding
Benin	HIV/AIDS	BEN-H-BENPNLS	€	3	0
		BEN-H-PLANBen			
Benin	Malaria	BEN-304-G04-M	€	3	0
Bolivia	TB	BOL-913-G11-T	US\$	12	0
Burundi	Malaria	BRN-910-G10-M	US\$	5	0
		BDI-M-SEPCNLS			
Egypt	TB	EGY-607-G02-T	US\$	12	0
Guinea-Bissau	TB	GNB-913-G13-T	US\$	8	0
Jamaica	HIV/AIDS	JAM-708-G02-H	US\$	5	0
Sierra Leone	TB	SLE-708-G06-T	US\$	2	0

02 Request for a waiver by the Board of the condition imposed in the Congo Brazzaville HIV grant (COG-911-G06-H) concerning the disbursement of grant funds for essential program activities as stipulated in the relevant grant agreement.

2.1 The Secretariat requests a waiver by the Board of the condition restricting the disbursement of grant funds to the government PR, the Secretariat Executif Permanent/Comité National de Lutte contre le SIDA (SEP/CNLS), for grant COG-911-G06-H. The funds are required to conduct activities critical to the implementation of the HIV program, such as condoms, diagnostic tests, drugs for opportunistic infections and sexually transmitted infections, running costs.

2.2 The HIV grant managed by the SEP/CNLS (COG-911-G06-H) was approved by the Board in February 2014 with a Board condition restricting the use of funds to finance activities other than the procurement of health products and pharmaceuticals and other activities deemed essential in the framework of the program. This condition was originally included in the program proposal with an aim to: (i) prompt the Government of Congo to invest its counterpart funding commitments for the procurement of HIV commodities so as to ensure impact and complementarity of Global Fund investments in the HIV/AIDS and TB programs in Congo Brazzaville, and (ii) improve supply chain management to address instances of prolonged stock out related to irregularities in the procurement system, a general lack of

transparency in the procurement system of the Ministry of Health, and weak in-country supply chains management practices.

2.3 The original program design was that the Global Fund would support the procurement of pediatric ARVs whilst the Government of Congo was responsible for the procurement of adult ARV drugs. In the past the Government of Congo honored such commitment, but recent non-fulfilment of the government counterpart financing has created HIV treatment disruptions and prevented the program from achieving its full impact. As the condition was not fully met by the deadline of 31 December 2014, the Secretariat suspended all disbursements to the grant in line with the Board aforesaid condition.

2.4 Progress to date includes the establishment of a contract between the government of Congo Brazzaville and the IDA Foundation to support the procurement of a wide range of health commodities, including ARV drugs, which will assist in stabilizing the supply system, improving product availability and enhancing the accountability of the recently reestablished central medical store. Additionally, partners have pledged to fund the facilitation of technical cooperation for procurement and supply management to focus on capacity strengthening of the central medical store to ensure a successful transition.

2.5 Given (i) the progress achieved to date towards fulfilment of the Board condition as described above, (ii) on-going high level actions including engagement from the Ministries of Planning, Finance, and Health, (iii) the willingness demonstrated by the country to continue its partnership with the Global Fund as evidenced, in particular, by the reimbursement of ineligible expenses amounting to €1.7 million in 2015 and (iv) the close linkages with the community component of the program implemented by the civil society PR, the Secretariat recommends waiving the aforesaid Board condition. The proposed waiver will allow the Secretariat to effectively manage the portfolio and, in particular, negotiate and finalize decisions on the procurement and supply chain issues as well as budgetary allocations and timely disbursements for procurement of HIV commodities during the writing of the concept note, with strong support from bilateral and multilateral partners.

2.6 To ensure continued risk mitigation, the Secretariat will manage the portfolio balancing the need for disbursements with the importance for the Government to honor stated financial commitment, also taking into consideration the linkages with the civil society PR in charge of the community component which has suffered from the application of the Board condition. Additionally, the new partnership between the Ministry of Health and IDA Foundation will enhance timely availability of quality health commodities and maximize the impact of Global Fund grants, in the interim period the Central Medical Store is set up and becomes fully operational. In addition, the fact that the Government of Congo is procuring directly from IDA Foundation will address the lack of transparency of the Ministry of Health procurement system while enhancing competitiveness, value for money and product availability. Moreover, the Government of Congo plans to work with IDA after the transition period to ensure strengthened capacity of the new Central Medical Store.

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