

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B37/ER01 – Revision 1
Board Decision

PURPOSE: This document proposes one decision point as follows:

1. GF/B37/EDP02: Decision on the Secretariat's Recommendation on Reinvestment of Funding from the 2014-2016 Allocation

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

I. Decision Point

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

1.1 Set forth below is the Secretariat's recommendation to approve a reinvestment of funding across country disease components up to an amount of €2,621,173.

Decision Point: GF/B37/EDPo2: Decision on the Secretariat's Recommendation on Reinvestment of Funding from the 2014-2016 Allocation to Burkina Faso Across Country Disease Components

The Board:

1. Approves the reinvestment of funds from the TB-HIV grant BFA-C-IPC and the RSSH grant BFA-S-PADS to the malaria grant BFA-M-PADS, as listed in Table 1 of Section IV to GF/B37/ER01 – Revision 1 ("Table 1");
2. Affirms the reinvestment of funding approved under this decision (a) increases the upper-ceiling amount that may be available for the relevant implementation period of the grant BFA-M-PADS, (b) decreases the upper-ceiling amount that may be available for the relevant implementation period(s) of the TB/HIV grant BFA-C-IPC and RSSH grant BFA-S-PADS, (c) is subject to the availability of funding, and (d) shall be committed in annual tranches; and
3. 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 2017 Operating Expenses Budget.

II. Relevant Past Decisions

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

¹ 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/>)

Relevant Past Decision Point	Summary and Impact
GF/B33/EDP15: Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation	<p>This decision point refers to the Board approval of the Burkina Faso malaria and RSSH grants on 11 September 2015 (BFA-M-PADS and BFA-S-PADS). The Board decision delegates authority to the Secretariat to redistribute the overall upper-ceiling of funding for a disease component across its constituent grants, but does not authorize redistribution of funding across disease components.</p>
GF/B33/EDP07: Decision on the Secretariat's Recommendation on Additional Funding from the 2014 Allocation	<p>This decision point refers to the Board approval of the Burkina Faso, TB-HIV grant BFA-C-IPC on 30 June 2015.</p>
GF/SCo4/DP02: Approval of the Prioritization Framework for Funds Becoming Available for Portfolio Optimization and Financing Unfunded Quality Demand	<p>This decision point refers to the approval of the Prioritization Framework for Funds that Become Available for Portfolio Optimization and Financing Unfunded Quality Demand (GF/SCo4/04 – Revision 2), which provides that the Secretariat will consider opportunities for optimization of funds across country disease programs, in line with the prioritization principles and criteria approved by the Strategy Committee.</p>

III. Action Required

1. The Board is requested to consider and approve the decision point recommended in Section I above.
2. Please find here a list of documents provided per disease component to substantiate the Board decision. All relevant documents containing the Secretariat's reason for its recommendations to the Board and the Funding Requests/comments have been posted on the Governance Extranet available at this [link](#).
 - a. Grant Confirmations for each of the three grants; and
 - b. Concept Notes for the components in question

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

Table 1: Secretariat's Funding Recommendation on Reinvestment of Funding from the 2014 Allocation

Country	Disease Component	Grant Name	Currency	Current grant Amount	Recommended proposed change in funding	Total proposed adjusted amounts
Burkina Faso	Malaria	BFA-M-PADS	EUR	59,286,922	+2,621,173 ²	61,908,095

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

Introduction:

1.1 In this report, the GAC recommends for Board approval the reinvestment of EUR 2,621,173 from funds projected to remain unused under the TB/HIV and RSSH components in Burkina Faso to the malaria component to cover a significant gap that has materialized in the malaria program. The investment builds on the malaria grant previously approved by the Board in GF/B33/EDP15. The GAC recommendation represents a reinvestment of funds across disease components in Burkina Faso and does not constitute an increase in the overall country allocation for the 2014-2016 allocation period.

Burkina Faso Malaria (BFA-M-PADS), reinvestment of funds from RSSH and TB-HIV to malaria

1.2 Increase in budget-ceiling for the malaria grant. The GAC recommends for Board approval a reinvestment of funds from the Burkina Faso TB/HIV and RSSH components to the malaria component to fill a gap due to increased need for malaria commodities. The reinvestment would increase the final grant amount for the Burkina Faso malaria grant BFA-PADS by EUR 2,621,173, and decrease the final grant amounts for an existing RSSH grant (BFA-S-PADS) from EUR 17,347,022 to EUR 15,394 367 and an existing TB-HIV grant (BFA-C-IPC) from EUR 7,876,000 to EUR 7,207,482. The overall country allocation for Burkina Faso for 2014-16 would therefore remain unchanged. This increase is consistent with scale-up in the allocation for malaria in Burkina Faso for 2017-19.

1.3 Current Grants. The existing malaria grant BFA-M-PADS started on 1 October 2015 and will end on 31 December 2017. It was signed with a budget of EUR 59,286,922 and is performing well (rated B1 and with an 87% absorption rate).

1.4 The primary activities financed through the existing malaria grant include:

- Vector control: procurement and distribution of long lasting insecticide treated nets (LLINs) through routine (Expanded Programme on Immunization and antenatal care) and mass LLIN distribution;
- Case management: the procurement of anti-malarial commodities and the support to malaria case management in the public health system; Integrated Community Case Management (iCCM) across the country;
- Other prevention: scaling up seasonal malaria chemoprevention (SMC) in SMC eligible areas, improving intermittent preventive treatment (IPT-3);
- Monitoring and Evaluation (M&E): contributions to national surveys (DHS/MIS/MICS), sentinel surveillance and improving routine data for malaria in the national HMIS (DHIS2) through their platform ENDOS.

1.5 Rationale for reinvestment. Malaria remains a significant health problem in Burkina Faso and is the leading cause of health care consultations (46.5%), hospitalizations (61.5%) and deaths (30.5%) in the country. In April 2016, the government launched a free health care policy for children under five

² The recommended reinvestment will be financed through a reduction of EUR 1,952,655 from an RSSH grant in Burkina Faso (the "BFA-S-PADS") and EUR 668,518 from a TB/HIV grant (the "BFA-C-IPC"). The proposed adjusted upper ceilings for these grants would be EUR15,394,367 for BFA-S-PADS and EUR 7,207,482 for BFA-C-IPC.

and pregnant women, to increase access to health care. The free healthcare policy has had the desired effect of improving access and usage of public health care for these groups resulting in an unfunded gap in the malaria grant due to the increased need for malaria commodities. Savings as of December 2016 have been reinvested in 2017 but are insufficient to cover the gap. The reinvestment would be funded through funds projected to remain unused under the TB/HIV and RSSH components, thereby ensuring the maximization of impact through the Burkina Faso 2014-2016 allocation. The reinvestment from the TB/HIV and RSSH components will cover 53% of the total gap which amounts to EUR 4,921,344. The remainder of the unfunded gap will be covered by the Government and other partners.

- 1.6 Domestic and Partner contributions. In the current grant, the Government and other partners (USAID, World Bank, UNICEF) contribute about half the needs for artesunate injectable and artemisinin-based combination therapy (ACTs), about one third of needs for rapid diagnostic tests, and <10% of needs for LLINs (mass campaign and routine); IPT among pregnant women is fully covered by government funds, and SMC by government and external donors. With respect to community health, the government is funding three-quarters of the Community Health Workers (CHW)'s stipend (one quarter is covered by the Global Fund). The other interventions (communication, monitoring, supervision and training) are fully funded through the Global Fund grant, Government and other partner resources. The Government and other partners are being mobilized for continued funding from 2018 onward. The Global Fund Secretariat is in on-going discussions with USAID on filling the remaining gap in malaria commodities and initial feedback is positive.
- 1.7 Expected outcomes: The increase in demand resulting from the positive change in the Burkina Faso policy landscape led to intermittent stock outs in 2016, which could intensify in 2017. The recommended reinvestment will contribute to fill a portion of the gap in malaria commodities and free access to care for children and women under five in 2017. Children and pregnant women will continue to benefit from the free health care policy and continued scale-up and roll out of iCCM. Additionally, as Burkina Faso develops their policy implementation plan, an additional investment in 2017 will enable the Government and partners to continuously assess the implications of rolling out free health care for services and commodities to inform future grant-making and quantification exercises.
- 1.8 GAC review and recommendations. The additional needs identified in Burkina Faso were not initially captured in the TRP reviewed and GAC recommended Unfunded Quality Demand. These however, do not constitute a material change in the program and represent a scale-up of existing activities. Furthermore, the GAC recognized that the allocation for 2017-2019 is higher for malaria than in the previous allocation cycle, suggesting that a reinvestment into the current malaria grant is justified and sustainable. Noting the identified gap and the increase in funding for malaria in 2017-19, the GAC recommends the reinvestment of EUR 2,621,173 from the Burkina Faso TB/HIV and RSSH components to the malaria component for Board approval.

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