Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B37/ER05
Board Decision

PURPOSE: This document proposes one decision point as follows:
1. GF/B37/EDP07: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation[1]

[1] Congo (Democratic Republic) TB/HIV, Congo (Democratic Republic) malaria, Ethiopia malaria, Indonesia malaria, Iran (Islamic Republic) HIV, Moldova HIV, Moldova TB, Mongolia TB, Myanmar HIV, Myanmar TB, Niger HIV, Senegal HIV, Sierra Leone HIV, Sudan HIV, Sudan TB, Timor-Leste TB, Togo HIV, Togo TB, Togo malaria, Viet Nam HIV, Viet Nam TB, Zanzibar TB/HIV, Zanzibar malaria. Total recommended amounts to the Board are US$ 1,117,868,607 and € 108,755,207, this includes allocation funding as well as US$ 27,873,561 of catalytic investments for matching funds.

I. Decision Points

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 funding up to an amount of US$ 1,117,868,607 and € 108,755,207, this includes allocation funding as well as US$ 27,873,561 of catalytic investments for matching funds.

Decision Point: GF/B37/EDP07: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation Period

The Board:

1. *Approves the funding recommended for each country disease component, and its constituent grants, as listed in Table 1 of Section IV to* GF/B37/EDP07 *("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 funding approved under this decision (a) is subject to the availability of funding, and (b) 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 2017 Operating Expenses Budget.

II. Relevant Past Decisions

1. Pursuant to the Governance Plan for Impact as approved at the Thirty-Second Board Meeting,[2] 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/B37/03	This decision point approves the execution of an administration agreement with the World Bank for a Performance-Based Funding project in Congo (Democratic Republic), and acknowledges that the Office of the Inspector General will not be able to provide assurance over the funds disbursed under this agreement.

III. Action Required

1. The Board is requested to consider and approve the decision points recommended in Section I above.

2. A list of documents per disease component to substantiate the Board decision is provided below.
    a. Funding request;
    b. Funding request Review and Recommendation Form;
    c. Grant-making Final Review and Sign-off Form;
    d. Grant Confirmation; and
    e. Technical Review Panel (TRP) Clarification Form (applicable only if the TRP requested clarifications)

3. The Grant Approvals Committee (GAC) has reviewed the materials associated with each grant in Table 1 and has deemed the grants disbursement-ready. For each grant the GAC reviewed the strategic focus of the program; operational issues, risks and implementation challenges; domestic contributions; reviewed the final grant documents for disbursement-readiness; and confirmed that the applicant addressed issues requested for clarification by the TRP or the Secretariat to its satisfaction.

4. All relevant documents containing the Secretariat's reasons for its recommendations to the Board have been posted on the Governance Extranet available at this link.

[2] 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/)

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

Table 1: Secretariat's Funding Recommendation on Funding from the 2017-2019 Allocation

Please note: Each country name is linked to the extranet site where supporting documents are available for review

N	Applicant	Disease Component	Grant Name	Grant end date	Currency	Total Program Budget	Matching Funds included in Total Program Budget	Unfunded Quality Demand	Domestic Commitment[3]
1	Congo (Democratic Republic)	TB/HIV	COD-C-CORDAID	31/12/2020	US$	140,371,747		51,793,684	53,942,910*
2	Congo (Democratic Republic)	HIV	COD-H-MOH	31/12/2020		22,777,439			53,892,320*
3	Congo (Democratic Republic)	TB	COD-T-MOH	31/12/2020		16,186,215			50,590*
4	Congo (Democratic Republic)	malaria	COD-M-MOH	31/12/2020		46,639,215			1,058,201
5			COD-M-PSI	31/12/2020		166,827,623			
6			COD-M-SANRU	31/12/2020		134,184,185			
7	Ethiopia	malaria	ETH-M-FMOH	30/06/2021	US$	111,849,218			69,092,004
8	Indonesia	malaria	IDN-M-MOH	31/12/2020	US$	44,574,010		4,550,000	64,810,579

[3] Domestic commitments for disease-specific and health-related spending are subject to local currency value fluctuations against US dollars and Euro.
*Final co-financing amounts and domestic commitments to be confirmed with additional information expected to be received from the countries, and commitments to be formalized with the corresponding country based on official communication expected later in the year. The Secretariat has put in place necessary risk mitigation measures in order to efficiently and systematically track domestic contributions, including increased monitoring of progress and supporting grant management actions where needed.
**The Myanmar matching funds grants for HIV programs for key populations (MMR-H-SCF and MMR-H-UNOPS for US$ 3,509,098 and US$ 3,399,378 respectively) and for finding missing TB cases (MMR-T-UNOPS for US$ 11,094,352), have integrated a total amount of US$ 1,702,728 of matching funds for RSSH data system, data generation, data use.

N	Applicant	Disease Component	Grant Name	Grant end date	Currency	Total Program Budget	Matching Funds included in Total Program Budget	Unfunded Quality Demand	Domestic Commitment[3]
9			IDN-M-PERDHAK	31/12/2020		9,070,896			
10	Iran (Islamic Republic)	HIV	IRN-H-UNDP	31/03/2021	US$	10,687,693			392,953,533
11	Moldova	TB/HIV	MDA-C-PCIMU	31/12/2020	€	11,931,624			42,646,277
12	Moldova	TB	MDA-T-PAS	31/12/2020		3,960,620			30,560,641
13	Mongolia	TB	MNG-T-MOH	31/12/2020	US$	7,224,359		758,604	15,817,213
14	Myanmar	HIV	MMR-H-SCF	31/12/2020	US$	52,943,765	3,509,098**	50,163,664	53,800,000
15			MMR-H-UNOPS	31/12/2020		77,067,074	3,399,278**		
16	Myanmar	TB	MMR-T-SCF	31/12/2020		16,760,483			60,800,000
17			MMR-T-UNOPS	31/12/2020		77,281,372	11,094,352**		
18	Niger	HIV	NER-H-CISLS	31/12/2020	€	13,395,464			12,517,278*
19	Senegal	HIV	SEN-H-ANCS	31/12/2020	€	6,128,471			12,921,251*
20			SEN-H-CNLS	31/12/2020		15,739,822			
21	Sierra Leone	HIV	SLE-H-NAS	31/12/2020	US$	31,799,803	1,800,000		6,641,126
22	Sudan	HIV	SDN-H-UNDP	31/12/2020	US$	16,578,954			9,547,285
23	Sudan	TB	SDN-T-UNDP	31/12/2020		12,262,049			6,778,619
24	Timor-Leste	TB	TLS-T-MOH	31/12/2020	US$	4,800,000			1,457,443
25	Togo	HIV	TGO-H-PMT	31/12/2020	€	27,498,407			11,400,000
26	Togo	TB	TGO-T-PMT	31/12/2020	€	1,639,400			800,000
27	Togo	malaria	TGO-M-PMT	31/12/2020		28,461,398			8,8,000

N	Applicant	Disease Component	Grant Name	Grant end date	Currency	Total Program Budget	Matching Funds included in Total Program Budget	Unfunded Quality Demand	Domestic Commitment[3]
28	Viet Nam	HIV	VNM-H-VAAC	31/12/2020	US$	53,207,476	3,070,833	13,600,987	163,316,912
29			VNM-H-VUSTA	31/12/2020		6,499,966			
30	Viet Nam	TB	VNM-T-NTP	31/12/2020		47,281,094		26,336,648	110,313,281
31	Zanzibar	TB/HIV	QNB-C-MOH	31/12/2020	US$	5,859,163			217,713*
32	Zanzibar	malaria	QNB-M-MOH	31/12/2020		5,134,807			71,892*

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

The grants in Table 1 have been found to be disbursement-ready by the Global Fund Secretariat through a thorough review process and in consultation with partners. The funding request for each country component was reviewed by the TRP and determined to be strategically focused and technically sound. The TRP, upon its review and when relevant, highlighted issues for the applicant to clarify or address during grant-making. During grant-making, the applicant refined the grant documents, addressed issues raised by the TRP and GAC and sought efficiencies where possible. For the following grants, the GAC provided additional guidance or made specific observations to inform the investment decision:

Congo (Democratic Republic) TB/HIV grants: Catholic Organization for Relief and Development Aid (COD-C-CORDAID); Ministry of Health (COD-H-MOH and COD-T-MOH)

1.1 The GAC reviewed the Democratic Republic of Congo (DRC) TB/HIV grants, noting that the Global Fund investments will focus on 14 provinces identified as high priority for HIV and TB. A differentiated approach for care and treatment will be used for the implementation of the one stop shop, intensification of community activities, gradual HIV testing for all TB patients and the deployment of GeneXpert. In this regard, key strategies will include outreach for key populations to provide a minimum package of screening and treatment services, as well as close monitoring where necessary and referral to a nearby treatment site; and gradually extending HIV testing of TB patients to additional TB health zones and improving the TB/HIV results through the implementation of the one-stop shop model. DRC is also eligible for catalytic investments for matching funds including - finding missing TB cases, for HIV in removing barriers to human rights related to health services and RSSH priority for data system, data generation and data use. These requests will subsequently be recommended to the Board for approval upon completion of grant-making and finalization of disbursement ready grants, human rights and RSSH, based on TRP review outcomes.

1.2 GAC Review and Recommendations:

- The GAC noted remaining challenges with respect to TB missing case detection and notification, which may stall the achievements of the ambitious programmatic targets. The Secretariat highlighted that the enhanced strategies for finding missing TB cases, including increase of laboratory capacity and support of civil society are part of the matching funds application, in line with the TRP's review. The matching funds detailed budget and work plan are being finalized and will be subsequently submitted to the Board for approval and incorporated into the grant during implementation.

- The GAC partners expressed concerns with respect to the lack of access to HIV testing for TB patients in some regions, and encouraged the Secretariat to work with GAC partners and other stakeholders to reverse this trend. Considering the financial constraints, there will be a gradual undertaking of HIV testing of TB patients in hard to reach areas in collaboration with the Government DRC.

1.3 Co-financing and domestic contribution: The DRC is expected to meet the willingness to pay requirements from the 2014-2016 allocation period, to be confirmed with additional information on health expenditures (National Health Accounts) expected by November 2017. In order to fully access the co-financing component of the 2017-2019 allocation, the Government of DRC needs to invest an additional US$ 39,523,982 over and above its spending in the previous allocation cycle. However, the Government has not yet formalized its commitments for the 2017-2019 allocation period. Due to the country's economic constraint, there is a risk of non-compliance with commitments. Grant requirements have been included to ensure receipt of formal commitments and to mitigate the risk of non-compliance through increased monitoring of progress.

Congo (Democratic Republic) malaria: Ministry of Health (COD-M-MOH); Population Services International (COD-M-PSI); Soin de Santé Primaires en milieu Rural (COD-M-SANRU)

1.4 The GAC commended the country for the significant programmatic progress, including the achievement of universal LLIN (long-lasting insecticidal net) coverage during the 2014-2016 allocation period. The program will build on the results achieved, focusing on the continuation of key high impact interventions including: (i) prevention through the mass distribution of LLINs, maintaining a rolling 3 year distribution cycle complemented with routine distribution; (ii) ensuring availability of malaria commodities at all health structures and further scaling up diagnosis and treatment at the community level; as well as (iii) reinforcement of surveillance through further investment in health information and infectious disease surveillance systems.

1.5 GAC Review and Recommendations:

- The GAC expressed concerns with respect to the gap of 20.9 million LLINs for 2020 mass campaign in eight Provinces, which may threaten coverage achieved in the 2014-2016 allocation period. The GAC encouraged partners to work with the Government of the DRC to mobilize additional investments to close the funding gap and sustain the programmatic gains, recognizing the constraints on the Global Fund's financial contribution. The population growth, evolving registration data and coverage increase of routine activities were identified as potential root causes for the LLIN gap. A condition in the grant confirmation allows for the reprogramming of funds towards additional distribution costs, should LLIN funding become available from other sources.
- The SANRU malaria budget includes a lump-sum of US$ 10 million to support a Performance-Based Funding (PBF) program. The ongoing grant ending 31 December 2017 supports an investment in a joint PBF project with the World Bank which is aimed at improving utilization and quality of MNCH services delivery and governance as well as strengthening health administration directorates and health policy capacities. The US$ 10 million lump sum may be used for the possible launch the PBF program in Kongo Central, to be co-financed with domestic funds, and/or renewing the current partnership with the World Bank (detailed in GF/B37/03). An assessment of the World Bank PBF project will be planned in the first quarter of 2018. Additional/continued funding of the PBF program in partnership with the World Bank is subject to obtaining the approval of the Global Fund Board, or putting in place alternative implementation arrangements which provide the OIG with the access and audit rights necessary to fulfil its Board-approved mandate.

Ethiopia malaria grant: Federal Ministry of Health of the Federal Democratic Republic of Ethiopia (ETH-M-FMOH)

1.6 The GAC commended Ethiopia for significant strides made in expanding coverage of key malaria control and preventive interventions throughout the country. Prevalence has decreased from 1.3 percent in 2011 to 0.5 percent in 2015 and no major malaria epidemics have been reported in the country since 2003. The revised national strategic plan (NSP) covering 2017- 2020 is building on the achievements to date and, through sustained control, will move towards malaria elimination using an integrated health system and community health approach, including distributing 33.7 million LLINs through mass campaign.

1.7 GAC Review and Recommendations:

- The GAC welcomed the alignment of the grant cycle for Ethiopia malaria with the country's fiscal cycle. As a result, the grant implementation period will extend over 3 years and 6 months, from January 2018 to July 2021.
- The GAC partners expressed concern over the likely need for additional LLINs in year 4 (2021) of the grant. The GAC confirmed that the gap anticipated is not due to the efforts to align Global Fund investments to the country's fiscal cycle, as the alignment is accompanied by additional flexibility in the reconciliation of commitments and obligations using the 2014-2016 allocation.

1.8 Co-financing and domestic contribution: The country complies with the willingness to pay requirements form the 2014-2016 allocation period. To fully access the co-financing component of the 2017-2019 allocation cycle, the government needs to invest an additional US$ 28.2 million, over and above its spending in the previous allocation cycle. Domestic commitments for malaria total US$ 69.1 million, which represents a 6 percent increase from the previous cycle. More than 60 percent of total government spending goes to public hospitals, primary healthcare units, and public health programs. Half of the government health spending is used at the primary level and goes towards HIV and AIDS, malaria, tuberculosis and reproductive health.

Indonesia malaria grants: Ministry of Health (IDN-M-MOH); PERDHAKI (IDN-M-PERDHAK)

1.9 The Global Fund support for the National Malaria Control Program of Indonesia (through the MOH) is focused on continuing approaches that have already yielded good progress, with some refinements in line with recommendations from the 2016 National Malaria Program Review. The Global Fund resources will therefore support efforts to further reduce malaria morbidity and mortality in the high prevalence areas of eastern Indonesia where the malaria program is still in the control stage. In addition, Global Fund will invest in reducing malaria transmission to the lowest possible level with epidemiologically appropriate interventions in pre-elimination areas. Key interventions include the distribution to at risk populations of 2.7 million LLIN through mass campaign, and distribution of another 800,000 nets to migrants and other at risk groups in low-prevalence districts in Sumatra, Kalimantan and Sulawesi.

1.10 Co-financing and domestic contribution: The Government of Indonesia complies with the willingness to pay requirements from the 2014-2016 allocation period. The country committed to contribute US$ 65 million for malaria in the 2017-2019 allocation, representing an increase of 47 percent over spending in 2015-2017. Sixty percent of the country's contribution will be financed by government budgets and the remainder will be financed by social health insurance. This funding will be used to contribute mainly to case management and treatment, RSSH strengthening and Vector Control (LLIN). The country is also on track with respect to sustainability and transition preparedness. Interventions for ensuring program sustainability and the country's preparedness to transition include operational study on malaria financing and gaps, technical assistance on sustainability and transition preparedness at district level, and transitioning of LLIN procurement to domestic financing.

Myanmar HIV and TB grants: Save the Children Federation (MMR-H-SCF and MMR-T-SCF); United Nations Office for Project Services (MMR-H-UNOPS and MMR-T-UNOPS)

1.11 The GAC commended Myanmar for the significant progress achieved by the program during the 2014-2016 allocation period. Building on lessons learned, investments in the Myanmar HIV program will focus on increasing ART coverage so the percentage of adults and children with HIV known to be on treatment 12 months after initiation of ART, is brought from 85 percent in 2015 to 90 percent by 2020; scale-up ART coverage from 127,405 people living with HIV in 2015 to 175,336 in 2020, which would represent an increase of coverage from 52 percent to 72 percent of the estimated number of people living with HIV; prevent an increase in HIV prevalence by reaching key populations through comprehensive prevention programs: 56,356 sex workers, 55,703 men who have sex with men, and 49,802 people who inject drugs; and increase condom use to 86 percent for sex workers and for men who have sex with men to 87 percent, by 2019.

1.12 The GAC also commended the tremendous progress achieved in the 2014-2016 allocation in the Myanmar TB program. Investments will support ambitious goals to end the TB epidemic in Myanmar by reducing TB incident cases to fewer than 10 per 100,000 population by 2035, which is in line with the NSP (2016-2020) and the WHO End TB Strategy. The program will focus on accelerating the decline in the prevalence of drug-sensitive and drug-resistant TB as well as enhancing the prevention of TB, particularly among high-risk populations.

1.13 Matching Funds: Myanmar was eligible to apply for multiple matching funds and met the conditions for accessing the funds. The GAC approved upper ceilings of US$ 6,300,000 for the scale up of

evidence-informed HIV programs for key populations integrated in the MMR-H-SCF and MMR-H-UNOPS for US$ 3,509,098 and US$ 3,399,378 respectively. The GAC has also approved US$ 10,000,000 for the finding missing TB cases integrated in the MMR-T-UNOPS for US$ 11,094,352. The country was also eligible for the RSSH data system, data generation, data use matching funds. RSSH matching funds have been integrated across HIV and TB grants, and incorporated into the malaria Regional Artemisinin Resistance Initiative (RAI) which will be subsequently recommended to the Board for approval, upon completion of grant-making and finalization of disbursement ready grants, based on TRP review outcomes.

1.14 Co-financing and domestic contribution: The Government of Myanmar complies with the willingness to pay requirements of the 2014-2016 allocation period. The country committed to maintaining and to incrementally increasing programmatic investments along with absorbing additional health systems costs for scaling up services during the 2017-2019 allocation period. The Government contributions will finance 14 percent of HIV needs and plans to contribute to ARV procurement program management and health systems costs for HIV services. The Government has also committed to contribute 20 percent of TB funding needs to invest in procurement of second line TB drugs, human resources, program management and health system costs for delivering TB services.

1.15 GAC Review and Recommendations:

- The GAC acknowledged the progress accomplished through Myanmar's HIV and TB programs in the last six years as well as the ambitious targets set for the upcoming grants, including the potential achievement of universal ART coverage by 2020. The GAC noted that close collaboration and coordination with technical partners will contribute to the achievements of the program's targets as well as maximize the matching funds investments, particularly in hard to reach areas.
- The GAC noted the remaining challenges around community rights due to the difficulties linked to the political context. The GAC also acknowledged the progress in the undertaking and coordination of harm reduction activities as the Global Fund supported program is providing HIV prevention and harm reduction services, for example, to people who inject drugs in the Kachin State where HIV prevalence remains high, as well as in the states of Shan, Mon and Kayin.
- The GAC and Partners discussed the complex political context affecting the Rakhine state, particularly impacting the Rohingya population. The Global Fund does have access to the state of Rakhine and over the years has provided substantial funding through partners, including the central government. Considering the higher TB burden and HIV prevalence documented in the conflict areas, the Secretariat has put in place mechanisms and partnerships with civil society and local authorities to ensure that the TB and HIV programs will continue while acknowledging the complex operating environment.

Niger HIV Grant: Coordination Intersectorielle de Lutte contre les IST/VIH/SIDA de la République du Niger (NER-H-CISLS)

1.16 Co-financing and domestic distribution: The Government of Niger complies with the willingness to pay requirements of the 2014-2016 allocation period. To fully access the co-financing component of the 2017-2019 allocation, the government needs to invest an additional EUR 5.6 million over and above its spending of the 2014-2016 allocation period. The Ministry of Economy and Finance has made an indicative commitment to increase the funding of the disease program by EUR 29.6 million over the next implementation period, which exceeds the minimum co-financing requirement, if accomplished. However, the domestic commitments have not yet been formalized and its completion is contingent upon the signing of the grant.

Sénégal HIV grants: Alliance Nationale des Communautés pour la Santé (SEN-H-ANCS); Conseil National de Lutte contre le SIDA de la République du Sénégal (SEN-H-CNLS)

1.17 Co-financing and domestic distribution: The Government of Senegal complies with the willingness to pay requirements of the 2014-2016 allocation period. To fully access the co-financing component of the 2017-2019 allocation, the government needs to invest an additional EUR 12,994,589 million, over and above its spending in 2014-2016. The Secretariat has not yet received the letter co-signed by the Minister

of Health and Social Action and the Minister of Finance and the indicative commitments provided by government falls short of the minimum co-financing requirement. This is partially due to the 8 September change in government. The Secretariat has put in place mitigation measures in order to efficiently and systematically track domestic contribution, such as the endorsement of co-financing commitments by Ministry of Budget and Ministry of Finance and the follow up with supporting management actions where needed. The Secretariat is also currently seeking clarification with the relevant national authorities as the information provided by the country is misaligned with estimated past trends as well as National Strategic Plans governmental contribution.

Sierra Leone HIV Grant: National HIV/AIDS Secretariat (SLE-H-NAS)

1.18 GAC Review and Recommendation:

- The GAC congratulated the country team on the strong work in addressing bottlenecks faced during the 2014-2016 allocation period despite a fragile health system that is recovering after the Ebola virus epidemic. The Secretariat noted that at the start of grant-making, based on budget assumptions made at the time of submitting their Program Continuation request, the country had planned to program an equivalent of their designated matching funds from their country allocation towards the strategic priority of human rights. This meant that the conditions to access matching funds had been met when looking at high level budget assumptions. During grant negotiations however, it was determined that some human rights barrier removal activities that were initially included as part of the match would more appropriately fit under other budget categories. Additionally, efficiencies were identified during programming of the planned human rights activities resulting in US$ 2.3 million invested versus US$ 3.6 million, whilst maintaining the same TRP- recommended scope. Efficiencies identified from the country HIV allocation were reinvested primarily in programming for Key Populations such as integration of expanded programs for people who inject drugs (PWID) and the implementation of a pilot needle and syringe program services.
- Whilst the condition for the direct 1:1 match was no longer met at the end of grant-making, given that less money from the allocation has been invested in human rights interventions, the GAC noted the catalytic effect through the investment of these funds and approved the use of the matching funds and the grant as presented.

Sudan HIV and TB grants: United Nations Development Program (SDN-H-UNDP and SDN-T-UNDP)

1.19 The Global Fund-supported HIV program will focus on increasing the percentage of sex workers reporting the use of a condom with their most recent client from 34.9 percent in 2015 to 75 percent in 2020; increasing the percentage of people living with HIV who are screened for TB in HIV care or treatment settings from 96.6 percent in 2016 to 100 percent in 2020; and increasing the percentage of adults and children with HIV known to be on treatment 12 months after initiation of antiretroviral therapy from 68.6 percent in 2015 to 90 percent by 2020. The Sudan TB program also aims to decrease TB burden in line with the Global End TB strategy. The program plans to utilize community settings, nongovernmental organizations and civil society organizations to improve the detection of TB cases and treatment outcomes and expanding TB service provision to encompass public private mix.

1.20 Co-financing and domestic contributions: The country complies with the willingness to pay requirements of the 2014-2016 allocation period. The Federal Ministry of Health and Federal Ministry of Finance made indicative commitments, through a letter of commitment dated 18 September 2017, to increase funding for the three diseases and resilient and sustainable systems for health by US$ 205.7 million over the 2017-2019 allocation period. While weak macroeconomic conditions in Sudan pose risks to realization of these commitments, the recent lifting of financial sanctions may create new opportunities for improvement of Sudan's economic situation as the country will be able to resume international financial transactions.

1.21 GAC Review and Recommendations:

- The GAC noted that there will be a gradual transition away from UNDP as the principal recipient (PR) towards national entity PR(s). The transition process will start in 2018 with the malaria grant and then continue with the TB grant during grant implementation. The TB and HIV grants were submitted individually in order to facilitate staggered transition from UNDP, building on lessons learned.
- The GAC recommended to ensure that Global Fund grant funds would not be used to cover severance payments for UNDP employees.
- Additionally, while acknowledging the letter communicating indicative co-financing commitments from the Government of Sudan, the GAC further recommended that co-financing commitments and investments be made in commodities for the TB and HIV programs towards enhancing sustainability.
- The GAC recognized that the ongoing influx of refugees and the cross-border population dynamics may risk over-extending Sudan's health system, with potential impact on the country's TB disease profile. While ongoing programmatic needs emerging from hosting refugees have been addressed through reprogramming of the grant from the 2014-2016 allocation, the GAC acknowledged the limited fiscal space in the grants from the 2017-2019 allocation to cover demand generated. The GAC welcomed the plans for the country to submit a prioritized above allocation request and recommended that the Secretariat works with the country to explore the possibility of using emergency funding in line with current policies, and/or other funding sources to address gaps.

Togo TB and HIV Grants: Primature de la République Togolaise (TGO-T-PMT and TGO-H-PMT)

1.22 The GAC commended Togo for the noticeable progress made during the 2014-2016 allocation period with increased coverage for pregnant women receiving ART from 87 percent to 94 percent. The proportion of people living with HIV on ARV treatment has also increased from 33 percent to 51 percent over the same period. TB notification has also increased and all notified patients were tested for HIV and 100 percent of TB/HIV patients received ART. The proposed program aims to continue scaling up PMTCT to 100 percent of pregnant women living with HIV, providing ART to 100 percent of diagnosed TB/HIV cases between 2018 and 2020, strengthening diagnosis and management of MDR-TB (an additional 14 GeneXpert machines were procured under the current grant) as well as reinforcing coordination, monitoring and evaluation, and ensuring that 7,919 men who have sex with men and 9,582 female sex workers are reached through prevention programs.

1.23 GAC review and recommendations:

- The GAC partners congratulated achievements of the TB program while recognizing persisting challenges with the TB detection. In this regard, the GAC noted strategies put in place including expansion of GeneXpert and increased community involvement aiming at contributing to active case funding.
- The GAC also noted that the current level of funding will allow the existing number of people on ARV treatment to be maintained at its current level (60 percent, or 60,000 patients). Acknowledging the highly commoditized nature of the program (80 percent allocated to the health products) the GAC recognized challenges associated with the limited fiscal space for the scale up of ARV treatment at the current pace. The GAC has been informed that the applicant will submit a prioritized above allocation request (PAAR) outlining funding required to finance ART scale-up for 18,691 people over the three years, to reach 67,031 patients in 2018, 73,112 in 2019, and 78,691 in 2020 (79 percent coverage) which could potentially be considered for funding at a later stage should additional resources become available.

Togo malaria grant: Primature de la République Togolaise (TGO-M-PMT)

1.24 The malaria epidemic in Togo is still in the control phase with recommended core interventions (e.g. case management, vector control, malaria prevention during pregnancy, seasonal malaria chemoprevention (SMC)) being implemented in all districts. The effective implementation of the above interventions reduced malaria mortality by 20 percent between 2010 and 2015. Investments in the program

will result in 5.2 million LLINs distributed by 2020; 74 percent of intermittent preventive treatment (ITP) coverage for pregnant women; 100 percent of suspected malaria cases tested and 100 percent confirmed treated; extension of the DHIS2 in all districts including at community level with mobile technology.

1.25 Co-financing and domestic contribution: Togo complies with the willingness to pay requirements of the 2014-2016 allocation period. In order to fully access the co-financing component of the 2017-2019 allocation, the government needs to invest an additional EUR 4.3 million for the 2017-2019 allocation period, over and above its spending for the 2014-2016 allocation period. Co-financing commitments across the three diseases and RSSH for the 2017-2019 allocation period is EUR 27.9 million, which represent an additional investment of EUR 13.6 million, compared to government spending for the 2014-2016 allocation period. Co-financing commitment for malaria for the 2017-2019 allocation period is EUR 8.79 million, which exceeds government malaria spending for the 2014-2016 allocation period by EUR 3 million. Co-financing commitments for HIV (EUR 18.1 million) and TB (EUR 0.58 million) for the 2017-2019 allocation period, exceeds government spending for the 2014-2016 allocation period by EUR 10.1 million for HIV and EUR 0.33 million for TB.

1.26 GAC Review and Recommendations:

- The GAC has been notified that the LLIN mass campaign is jointly financed by the Government of Togo (covering 60 percent) and Global Fund (covering 40 percent). For the 2014-2016 allocation period, the Government of Togo mobilized resources through the Against Malaria Foundation (AMF) to finance the 2017 mass campaign. However, since the official communication on how the LLIN gap will be covered has not yet been received by the Secretariat, potential mitigating measures, including seeking additional domestic financing and contributions from other donors may need to be considered in case the expected contribution from AMF does not materialize.

Viet Nam HIV and TB grants: Viet Nam Authority of HIV/AIDS Control (VNM-H-VAAC); Vietnam Union of Science and Technology Associations (VNM-H-VUSTA); Viet Nam National Lung Hospital (VNM-T-NTP)

1.27 The HIV epidemic in Viet Nam is concentrated among people who inject drugs, men who have sex with men, and female sex workers and their sexual partners. The Global Fund HIV investments will strategically focus on providing prevention programs for key populations in 33 high and medium burden provinces/cities in Vietnam, out of Viet Nam's 63 provinces; strengthening the sustainable and resilient community system in response to HIV/AIDS; and removing legal barriers for access to services for key populations. TB prevalence in Viet Nam has been declining by around 5 percent annually since 2000. Global Fund supported TB programs will invest in ensuring universal access to high quality diagnosis and treatment services by maintaining the high levels of routine diagnosis and care, complemented by intensified and active case finding and appropriate treatment in risk groups and under-served populations; providing routine diagnosis and effective treatment of latent TB infection for vulnerable and recently infected individuals; and scale-up access to diagnosis and treatment of multidrug resistant and extensively drug-resistant TB, making optimal use of new tools, drugs and regimens, and patient support.

1.28 Matching Funds: Viet Nam was eligible for the HIV key populations impact matching funds and complied with the conditions for matching within the 2017-2019 allocation. However, due to overall paced reductions in the allocation and resulting budget constraints, the program was not able to leverage an increase in absolute amounts invested in key population programs compared to the 2014-2016 allocation period. The GAC considered the investment as achieving the critical catalytic effect given that it is covering health insurance cards for the most vulnerable HIV key populations with no access to services as well as financing co-payments of ARVs. The GAC has approved an upper ceiling of US$ 3,099,129. US$ 3,070,833 has been integrated in the VNM-H-VAAC grant as recommended for Board's approval.

1.29 Co-financing and domestic contributions: Viet Nam domestic commitments for HIV in the next implementation period total US$ 163 million. This is double the investment made in the 2014-2016 allocation period and meets requirements to access the co-financing incentive component of the 2017-2019 allocation. The government plans to use this funding to scale up ART coverage and fully finance methadone maintenance treatment programs. Domestic commitments for TB in the next implementation period total

US$ 110 million, which is a 38 percent increase compared to the 2014-2016 allocation period and meets requirements to access the co-financing incentive component of the 2017-2019 allocation period.

1.30 GAC Review and Recommendations:

- The GAC commended Viet Nam for the impressive progress achieved by the TB and HIV programs during the 2014-2016 allocation period. The GAC also noted the strong collaboration with the Government and coordination with in-country partners, especially with regards ensuring the smooth transition of the US Government supported programs. The GAC commended the Ministry of Health, VAAC and engagement of US Government programs and highlighted the approach as an example for lesson learning mainly including the transitioning of US Government supported patients under the Social Health Insurance. The GAC encouraged continued collaboration for further achievements, especially linked to further scale up and maintaining prevention programs for key populations.

Zanzibar malaria and TB/HIV grants: Ministry of Health of the Revolutionary Government of Zanzibar (QNB-M-MOH; QNB-C-MOH)

1.31 Co-financing and domestic contributions: Zanzibar complies with the willingness to pay requirements of the 2014-16 allocation period. In order to fully access the co-financing component of the 2017-2019 allocation, the government needs to invest an additional US$ 824,548 in 2017-2019, over and above its spending for the 2014-2016 allocation period. The government has provided high level commitments for the three diseases and RSSH vide letter dated 6 October from the Ministry of Finance and Ministry of Health, which exceed the minimum requirements. Details of RSSH commitments will be confirmed prior to grant signing.

IV. Additional Matters

01 Global Fund Agreement on Privileges and Immunities

1.32 Of the applicants for which funding recommendations are currently being made, Ethiopia, Moldova, Niger, and Togo have both signed and ratified the Global Fund Agreement on Privileges and Immunities. Senegal has signed but not ratified the Global Fund Agreement on Privileges and Immunities. Countries which have not yet signed the Global Fund Agreement on Privileges and Immunities include: Congo (Democratic Republic), Indonesia, Iran (Islamic Republic), Mongolia, Myanmar, Sierra Leone, Sudan, Timor-Leste, Viet Nam, and Zanzibar.

02 Corrigendum to the Electronic Report to the Board GF/B37/ER04

1.33 The name of the Benin HIV grant BEN-H-PNLS submitted for Board approval through GF/B37/EDP05 has changed its name to BEN-H-PSLS, due the PR's change of name. This change affects pages 6, 11 and 12 of the report GF/B37/ER04, Table 1 and paragraph 1.11 to 1.13.

1.34 The name of the Guinea-Bissau TB/HIV grant submitted for Board approval through GF/B37/EDP05 is GNB-C-MOH instead of GNB-T-MINSAP mentioned in Table 1 of the report, pages 7.