

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B38/ER12

Board Decision

Purpose of the paper: This document proposes two decision points as follows:

1. GF/B38/EDP16: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation¹
2. GF/B38/EDP17: Decision on the Secretariat's Recommendation on Additional Funding²

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

¹ Benin HIV, Democratic Republic of Congo TB/HIV, Republic of Congo Malaria, Republic of Congo TB/HIV, Uganda TB/HIV, Ukraine TB/HIV, Multi-country RMEI Malaria. Total recommended amounts to the Board are **EUR 27,912,895** of country allocation funding as well as **US\$ 43,370,641** and **EUR 2,589,144** of catalytic investments.

² Kenya HIV. The total additional funding recommended to the Board to be added to existing grants is **US\$ 3,954,564** representing a private sector contribution from the Children's Investment Fund Foundation.

Decisions

A summary of relevant past decisions providing context to the proposed Decision Points can be found in Annex 1.

Decision Point: GF/B38/EDP16: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation

The Board:

1. Approves the funding recommended for each country disease component, and its constituent grants, as listed in the Tables 1a and 1b to GF/B38/EDP16 (“Table 1a” and “Table 1b”);
2. Acknowledges each country disease component’s constituent grants will be implemented by the proposed Principal Recipients listed in Table 1a and Table 1b, 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 operating expenses.

Set forth below is the Secretariat’s recommendation to approve additional funding in accordance with the Amended and Restated Policy on Restricted Financial Contributions.

Decision Point: GF/B38/EDP17: Decision on the Secretariat's Recommendation on Additional Funding

The Board:

1. Approves the revised budget recommended for each grant listed in Table 2 of GF/B38/EDP17 (“Table 2”); and
2. Affirms that any additional funding provided to fund the revised budget (a) shall increase the upper-ceiling amount that may be available for the relevant implementation period for each grant listed in Table 2, and (b) is subject to the availability of funding.

This decision does not have material budgetary implications for operating expenses.

Executive Summary

Context and Input Received

- The Secretariat recommends the approval of funding up to an amount of EUR 27,912,895 of country allocation funding as well as US\$ 43,370,641 and EUR 2,589,144 of catalytic investments. This report recommends funding relating to 2 grants in the Republic of Congo, 1 multi-country grant and 10 grants integrating matching funds. In addition, the Secretariat recommends US\$ 3,954,564 of additional funding representing a private sector contribution from the Children's Investment Fund Foundation (CIFF); this additional investment will finance items on the Register of Unfunded Quality Demand (UQD) for the Kenya HIV program.
- The grants in Table 1a have been found to be disbursement-ready by the Global Fund Secretariat following a thorough review process and in consultation with Partners.
- The funding request for each country component was reviewed by the Technical Review Panel (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 Grant Approvals Committee (GAC) and sought efficiencies where possible. For each grant the GAC reviewed: the strategic focus of the program; operational issues, risks and implementation challenges; domestic contributions; and the final grant documents for disbursement-readiness. The GAC also confirmed that the applicant addressed issues requested for clarification by the TRP or the Secretariat to its satisfaction. Additionally, the GAC endorsed the reinvestment of efficiencies in one of the following: (i) the areas recommended by the TRP; (ii) other disease components of the same applicant – in the case that the TRP did not provide such recommendations; or (iii) the general funding pool.

Input Sought

1. The Board is requested to review the request and agree on a 'no objection' basis, the decision points GF/B38/EDP16: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation Period; and GF/B38/EDP17: Decision on the Secretariat's Recommendation on Additional Funding. Any objections should be received within the deadline.
2. A list of documents per disease component to substantiate the Board decision is provided below.
 - Funding request;
 - Funding request Review and Recommendation Form;
 - Grant-making Final Review and Sign-off Form;
 - Grant Confirmation; and
 - TRP Clarification Form (applicable only if the TRP requested clarifications).
3. The GAC has reviewed the materials associated with each grant in Table 1a and has deemed the grants disbursement-ready. 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.

Table 1a: Secretariat's Funding Recommendation on Funding from the 2017-2019 Allocation - Please note that each country name is linked to the extranet site where supporting documents are available for review

| N | Applicant | Disease component | Grant name ³ | Grant end date | Proposed Principal Recipient | Currency | Total program budget | Catalytic funds in grant | Domestic commitment ⁴ | Unfunded quality demand |
|---|-----------------------|-------------------|-------------------------|----------------|--|----------|------------------------|--------------------------|----------------------------------|-------------------------|
| 1 | Congo | Malaria | COG-M-CRS | 30/04/2020 | Catholic Relief Services, United States Conference of Catholic Bishops | EUR | 12,660,948 | N/A | 11,305,877* | 5,016,000 |
| 2 | Congo | TB/HIV | COG-C-CRF | 31/12/2020 | Croix-Rouge Française | EUR | 15,251,947 | N/A | 15,780,412* | 3,745,461 |
| 3 | RMEI | Malaria | QRA-M-IDB | 31/12/2022 | Inter-American Development Bank ⁵ | USD | 6,000,000 ⁶ | 6,000,000 | 37,100,000 ⁷ | 2,350,000 |

Table 1b: Secretariat's Funding Recommendation on Integrating Matching Funds Funding into Board Approved Grants from the 2017-2019 Allocation - Please note that each country name is linked to the extranet site where supporting documents are available for review

| N | Applicant | Disease Component | Grant Name | Additional Funding Source | Currency | Previously Approved Program Budget | Recommended Additional Funding | Revised Program Budget | Strategic Priority Areas For Investments |
|---|---|-------------------|---------------|----------------------------------|-------------|------------------------------------|--------------------------------|---|--|
| 1 | Benin | HIV/AIDS | BEN-H-PlanBen | Catalytic Funds (Matching Funds) | EUR | 3,084,067 | 877,129 | 3,961,196 | HIV: Key populations impact; HIV: Programs to remove human rights-related barriers to health services |
| 2 | | | BEN-H-PSLS | | | 20,621,445 | 1,712,015 | 22,333,460 | HIV: Key populations impact; HIV: Programs to remove human rights-related barriers to health services |
| 3 | Congo (Democratic Republic) | TB/HIV | COD-C-CORDAID | | USD | 140,371,747 | 9,370,511 | 149,742,258 | TB: Finding missing TB cases; HIV: Programs to remove human rights-related barriers to health services |
| 4 | | HIV/AIDS | COD-H-MOH | | | 22,777,439 | 1,136,085 | 23,913,524 | TB: Finding missing TB cases; HIV: Programs to remove human rights-related barriers to health services |
| 5 | | Tuberculosis | COD-T-MOH | | | 16,186,215 | 2,493,079 | 18,679,294 | TB: Finding missing TB cases; HIV: Programs to remove human rights-related barriers to health services |
| 6 | Uganda | TB/HIV | UGA-C-TASO | | 14,347,607 | 6,758,539 | 21,106,146 | HIV: Adolescent girls and young women; HIV: Programs to remove human rights-related barriers to health services | |
| 7 | | HIV/AIDS | UGA-H-MoFPED | | 245,570,664 | 2,641,461 | 248,212,125 | HIV: Adolescent girls and young women; HIV: Programs to remove human rights-related barriers to health services | |

³ The Grant names are subject to change based on the ISO code.

⁴ Domestic commitments pertain to the disease programs and exclude other specific commitments for RSSH, unless otherwise specified. Commitments for disease specific programs and RSSH are subject to local currency value fluctuation against US dollar and Euro currencies.

*Fiscal year 2018-2020.

⁵ IDB is the Intermediary Financial Recipient as per the Framework Agreement.

⁶ The amount represents Global Fund's investment only.

⁷ Additional domestic investments leveraged.

| | | | | | | | | | |
|----|-------------------------|--------|-----------|-------------------------------------|-----|------------|-----------|------------|---|
| 8 | Ukraine | TB/HIV | UKR-C-AUA | Catalytic Funds (Matching Funds) | USD | 35,817,918 | 9,304,893 | 45,122,811 | TB: Finding missing TB cases; RSSH: Data systems, data generation, data use; HIV: Key populations impact; HIV: Programs to remove human rights-related barriers to health services |
| 9 | | | UKR-C-AUN | | | 39,365,910 | 2,636,605 | 42,002,515 | TB: Finding missing TB cases; RSSH: Data systems, data generation, data use; HIV: Key populations impact; HIV: Programs to remove human rights-related barriers to health services |
| 10 | | | UKR-C-PHC | | | 44,298,703 | 3,029,468 | 47,328,171 | TB: Finding missing TB cases; RSSH: Data systems, data generation, data use |

Table 2: Secretariat's Recommendation on Additional Funding - *Please note: Each country name is linked to the extranet site where supporting documents are available for review*

| N | Applicant | Disease Component | Grant Name | Additional Funding Source | Currency | Previously Approved Program Budget | Recommended Additional Funding | Revised Program Budget | Revised TB/HIV UQD |
|---|-----------------------|-------------------|------------|-----------------------------|----------|------------------------------------|--------------------------------|------------------------|--------------------|
| 1 | Kenya | HIV/AIDS | KEN-H-TNT | Private sector contribution | USD | 179,594,995 | 3,954,564 | 183,549,559 | 129,962,946 |

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

Republic of Congo TB/HIV Grant (Brazzaville): La Croix-Rouge Française (COG-C-CRF)

1.1 Background, co-financing and domestic commitment:

- The Country Coordinating Mechanism (CCM) of the Republic of Congo submitted a joint TB-HIV funding request in May 2017 focusing Global Fund investments on: continued universal coverage of paediatric ARV drugs; adult ARVs for 50 percent of the overall need in year 1, with progressive reduction to funding 13 percent of the overall need in year 3 and; 60 percent of ARVs for prevention of mother to child transmission (PMTCT) for all three years.
- The Secretariat expressed serious concerns that the Republic of Congo historically has not met its co-financing requirements, including for the 2014-2016 allocation period.
- During the 2014-2016 allocation period the country faced an emergency ARV situation, in part because government co-financing for the procurement of adult ARV and first line anti-TB drugs did not materialise. To mitigate the risk of HIV and TB treatment disruption, the Secretariat granted a waiver of the co-financing requirement for the 2014-2016 allocation period, and facilitated the reprogramming of funding for an emergency procurement of ARVs and first line anti-TB drugs. The Secretariat also facilitated the contribution of ARVs at risk of expiry in Sierra Leone and the Democratic Republic of Congo (DRC) to the Republic of Congo (Brazzaville) to address the stock-out situation in the Republic of Congo due to the government not meeting its commitment to finance adult ARVs.
- Indicative co-financing commitments for HIV, TB and malaria for the 2017-2019 allocation period have been formally provided to the Global Fund through a joint communication from the Ministry of Finance and Ministry of Health in December 2017. However, there is high risk of the commitments not materializing. This risk is exacerbated by the current macroeconomic environment and fiscal crisis as the Republic of Congo's economy continues to suffer from the effects of low oil prices, unsustainable debt and significant governance weaknesses.
- In this regard, the Secretariat will work with stakeholders to mitigate co-financing risks, including: (i) closely working with the World Bank and International Monetary Fund (IMF) to ensure investments in HIV, TB and malaria are considered priority for the social sector; (ii) continued inclusion of separate budget lines for HIV, TB and malaria commodities by the Ministry of Planning, Statistics & Integration and the Ministry of Finance prior to approval by Parliament; (iii) follow up with World Bank to leverage complementarities of The Health System Strengthening for Better Maternal and Child Health Results Project (PDSS), which focuses on reproductive, maternal, new-born, child and adolescent health (RMNCH); (iv) formal agreement with the government of Congo to institutionalize annual reporting of HIV, TB and malaria expenditures within three months from the close of the fiscal year; and (v) support for efforts to develop a comprehensive health strategy and institutionalization of national health accounts as a means of tracking health expenditures.

1.2 GAC Review and Recommendation:

- The GAC noted the risk of the Government of the Republic of Congo not meeting its co-financing requirements, which could lead to critical gaps in key areas such as PMTCT, TB/HIV co-infection, paediatric ART, ART scale up (new patient inclusion will not be possible), etc. There were also concerns that treatments are possibly being shared among patients, which could contribute to ARV first-line resistance. The GAC underlined the need for continuous engagement with the government and increased advocacy efforts to minimize the risks associated with sharing of treatment.
- The GAC used a pragmatic, strategic and public health lens to recommend a refocused scope for the TB-HIV grant in order to: (i) ensure sustained access to quality treatment for 95 percent of the existing ART patient cohort; (ii) mitigate the risk of treatment disruption, sharing of drugs, HIV drug resistance, etc.; and (iii) prevent the repeated, long lasting stock-outs that undermined the HIV and TB programs over the past three years.

- The HIV component will target 7 high-population departments (out of 12 nationwide), representing 95 percent of the existing adult patient cohort (based on figures reported in June 2017). The geographical focus will diminish the risk of stock outs, ensuring a stable supply of ARVs and continuous quality treatment to those currently on ART. The grant will aim to provide: (i) continuous supply of ARVs to 21,895 adults and 1,942 children currently enrolled on ART, as of June 2017; (ii) viral load tests to 13,237 ART patients per year; and (iii) early infant diagnosis to 100 percent of infants born to HIV+ positive mothers who became pregnant while already on treatment in the existing cohort and therefore knew their HIV status before pregnancy. Infants who are diagnosed positive will be enrolled on treatment. The GAC also noted that there an active file audit currently underway to determine the actual number of patients who are currently on treatment. If the results are significantly higher than the current estimated cohort patients, this could potentially result in a shortage of available treatment and will require a review of the grant. In addition the GAC noted that although there was some pressure on treatment availability limited viral load monitoring was critical, given the concerns about service quality in the past.
- The TB component of the grant will focus on TB prevention and case management to improve patient retention and treatment success rate as well as quality of services by: (i) identifying and treating 38,163 TB patients by 2020 for an expected treatment coverage of 71 percent in 2020, up from 54 percent in 2016, and reaching a treatment success rate of 90 percent; and (ii) diagnosing and treating 250 MDR-TB patients to reduce the TB mortality rate from 60 to 40 per 100,000 population.
- Furthermore, the GAC noted the fragility of the HIV procurement and supply management system and was informed that the grant will include funds to strengthen procurement and supply chain. Drugs will be stored at the Central Medical Stores, and Principal Recipient on which noteworthy improvements have been made in the past few months. The Principal Recipient, Croix-Rouge Française will ensure close supervision over the distribution from the national store to health facilities.
- Acknowledging the residual risks highlighted above and limited fiscal space within the grant, the GAC and partners recommended that savings identified during grant-implementation be reinvested in HIV prevention, retention and adherence to treatment as well as TB/HIV co-infection and PMTCT. They also recommended that should the Government of the Republic of Congo meet its co-financing commitments and increase domestic contribution to fund adult ARV and first line anti-TB drugs and the overall program, the grant could be reprogrammed to cover the key interventions as outlined in the original TRP-reviewed funding request.

Republic of Congo Malaria Grant (Brazzaville): Catholic Relief Services, United States Conference of Catholic Bishops (COG-M-CRS)

1.3 The Republic of Congo received a 2017-2019 allocation for the malaria program with a strong recommendation to focus Global Fund investments on the implementation of a national Long lasting insecticide-treated net (LLIN) mass distribution campaign (“mass campaign”) and associated activities. The allocation letter included a condition that the component amount and recommended programmatic scope could not be modified as part of the program split discussion to be held at the CCM level. In addition, the Global Fund requested that the corresponding grant be implemented by an international Principal Recipient with significant experience in conducting LLIN campaigns, given historical challenges of working with the government, and the government’s history of not meeting co-financing requirements. In line with this recommendation, the mass campaign will be implemented by Catholic Relief Services with technical assistance provided by the Alliance for Malaria Prevention (AMP), in collaboration with national implementers. These will include the national malaria control program (PNLP) and Caritas Congo for effective coordination and supervision of activities from the central to the community level.

1.4 **Strategic focus of the grant:** The malaria grant recommended for Board approval focuses on a mass campaign with 3,074,650 LLINs, which is scheduled for July 2019 and includes related micro and macro planning activities. The expected grant outcome is to increase the LLIN coverage of one net for every 2 people from 37 percent coverage in 2015 to 90 percent in 2020. The grant also includes funding for key programmatic studies to facilitate effective implementation of the mass campaign which includes: the knowledge, attitudes and practices (KAP) survey, which will be held before the campaign to allow for adapted and tailored communications; an entomological survey; and a post campaign survey as well as procurement of software and equipment for data management.

1.5 GAC Review and Recommendation:

- The GAC noted that given the focused investment, the prioritized intervention of a mass LLIN campaign is the most cost-effective intervention for malaria control with potential for highest impact even in the context of health system constraints.
- Although the allocation utilization period will remain three years, the GAC endorsed the two-year duration of grant implementation, corresponding to the time needed to plan and implement the campaign, as well as to undertake the relevant post-campaign surveys.
- GAC Partners also noted the need for further advocacy efforts to address the challenging situation with the government's ability to meet co-financing requirements. Partners restated their support towards identifying alternative sources of funding and technical assistance in order ensure there is no drop in coverage.

Regional Malaria Elimination Initiative - Multi-country Malaria Grant: Inter-American Development Bank (QRA-M-IDB)

1.6 In the 2014-16 allocation cycle, the Global Fund provided support to the Malaria Elimination Initiative (the “EMMIE” grant) in nine countries (Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua and Panama) through an innovative Cash on Delivery Approach to reach zero malaria cases in 2020 and seek certification of malaria elimination by 2025. The evaluation of the EMMIE grant determined that Central America and Hispaniola have made significant progress in reducing malaria, with cases declining by 90 percent in the past two decades. Haiti has also achieved significant progress but remains a center of transmission in the Caribbean. Despite these successes, the evaluation determined that the region is not currently on the trajectory needed to achieve the regional goal of elimination by 2020.

1.7 In the 2017-19 allocation period, the Board approved malaria elimination in Mesoamerica as a catalytic investment priority with an associated cost of \$6 million⁸. This \$6 million will be invested through the proposed Regional Malaria Elimination Initiative (RMEI) grant. The Inter-American Development Bank (IDB) is establishing a Malaria Elimination Blending Facility (the “Facility”) as a multi-donor trust fund to eliminate malaria in priority countries and avoid its re-introduction, building on the EMMIE regional grant. The countries included in the Global Fund-supported-initiative/grant are: Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Haiti⁹, Honduras, Nicaragua and Panama. The establishment of the Facility is the result of a joint effort among private and public donors that will harmonize donor efforts to generate lasting and sustained direct benefits for the population living in malaria endemic areas. The proposed Facility would build on the work undertaken by the countries with the support of the Global Fund, the Pan-American Health Organization (PAHO), the Clinton Health Access Initiative (CHAI) and others. The Facility would leverage a total investment of US\$ 89.7 million in the fight against Malaria for the 2018-2022 period. This amount includes contributions from the Bill & Melinda Gates Foundation (US\$ 31.5 million), the Carlos Slim Foundation (US\$ 15.1 million), additional domestic investments¹⁰(US\$ 37.1 million) and the Global Fund (US\$ 6 million catalytic funding).

1.8 The proposed RMEI and the Global Fund supported multi-country grant therefore aims to address the challenges to eliminate malaria in the Central American and Caribbean region and maximize impact by: (i) ensuring alignment of national strategic plans with regional and country objectives, (all NSPs have been reviewed and updated through technical partners in line with the Malaria elimination framework); (ii) strengthening the review of financial and programmatic gap (the Blended Finance facility developed by the Inter-American Development Bank through a multi-donor trust fund (the “Facility”) has reviewed the financial resources needed to close the gap and determined with countries the appropriate combination of loan and grant resources to address those financial gaps); (iii) avoiding duplication and overlapping through participative operational planning (the Facility will work closely with National Programs, CHAI and PAHO to develop micro planning to guide all Malaria activities at the country level); (iv) coordinating

⁸ GF/B36/DPo6.

⁹ Haiti will only be part of the regional work approach and support, and will not receive funding directly through the RMEI initiative, and/or be a recipient of loans.

¹⁰ This includes a combination of additional domestic commitments and loans (either new loans or restructured non-performing existing IDB loans).

technical assistance, with US\$ 7.8 million in technical assistance to be provided by CHAI and PAHO; (v) incentivizing results-based performance through inclusion of a results based (or outcomes based) tranche within the Facility; and (vi) strengthening partnership through the Partnership Committee, by bringing together all partners involved in malaria efforts as well as Council of Ministers of Health of Central America and the Dominican Republic (COMISCA) and Regional Coordinating Mechanism (RCM).

1.9 The investment will be governed by a framework agreement relating to the overarching partnership between IDB and the Global Fund, and a grant confirmation setting forth the specific terms and conditions of the Facility. The investment has a two-tier structure under which (i) the Global Fund will contribute to the Facility together with other donors as described above; and (ii) the IDB will provide concessional debt financing where requested by countries, in accordance with loan agreements between the IDB and individual countries, to which the Global Fund will not be a party. The two-tier structure ensures that Global Fund financing will not become part of any loan between the IDB and participating countries.

1.10 In accordance with what was presented in detail to the Audit and Finance Committee (AFC) and Strategy Committee (SC) in October 2017¹¹, the Global Fund Secretariat has ensured that the structure and negotiation of the blended finance transaction and participation in RMEI has been completed respecting Global Fund policies and procedures, as well as both the guiding principles and operational considerations included in the *Framework for Joint Investments in Blended Finance*¹². This includes (but is not limited to) establishing appropriate programmatic assurance, oversight, audit and access rights, and the ongoing involvement of the RCM in implementation of RMEI. While standard grant management practices will require adjustment to accommodate the unique nature of the blended finance investment with the IDB, these adjustments do not materially detract from the Global Fund's ability to provide programmatic and financial assurance over the use of Global Fund funds. In addition, the Office of Inspector General has separately reviewed, commented on, and provided their "no-objection" to this proposed arrangement, including the overarching Framework Agreement between the Global Fund and the IDB.

1.11 Recognizing that the initiative is innovative in nature, the RMEI also incorporates evaluations in years 3 and 5, both to review whether the Facility is helping to achieve the established Malaria targets in the agreed upon performance frameworks, as well as an evaluation of the Facility itself.

1.12 Co-financing and domestic commitment: The Sustainability, Transition and Co-financing Policy does not set forth formal co-financing requirements for applicants to access catalytic investments. Nevertheless, as highlighted above the RMEI and the Facility have helped to leverage additional domestic commitments for malaria elimination. These domestic commitments will be reported on in the respective malaria investments at the time of GAC recommendation of corresponding malaria grants for Board approval¹³.

1.13 GAC Review and Recommendation:

- The GAC and Partners commended the joint efforts of all involved parties in establishing this ground breaking initiative for the common goal of accelerating malaria elimination in Latin America. The GAC also applauded the partnership surrounding the blended financing strategy, which has allowed for the mobilization of additional resources, while fostering sustainability, maximizing impact, and harmonizing donor funding and technical assistance for malaria elimination.
- The GAC and Partners suggested that building on the RMEI experience, the Secretariat should develop a broad framework that would facilitate Global Fund participation in potentially innovative initiatives of a similar nature in the future.

¹¹ GF/AFC05/05 – Paper to the AFC presenting the Updated Framework for Joint Investments in Blended Finance Mechanisms, 3-5 October 2017. RMEI specific details are included in Annex 5 of the AFC paper.

¹² The Framework for Joint Investments in Blended Finance was developed by the Secretariat in consultation with the Strategy Committee and Audit and Finance Committee during 2017.

¹³ Where applicable. Not all countries involved in RMEI are independently eligible for a malaria allocation in 2017-19.

2. Grant Revision

Integration of Matching Funds into Board Approved Grants

2.1 Applicants, especially with reference to Program Continuation modality submitted in TRP Review Window of April 2017, exercised the flexibility of submitting their matching funds requests separately from their allocation. In order to integrate the matching funds into their existing grants, which were Board approved in 2017, the GAC reviewed and recommended matching funds for 10 grants listed in Table 1b. Noting the operating environment and in collaboration with Partners, GAC assessed each request based on TRP recommendations and the potential catalytic effect / impact of the investments. The GAC approved relevant waiver(s) to conditions on a case-by-case basis, including (i) the allocation amount invested in the priority area(s) is higher than in the previous allocation period (2014-2016); and (ii) the allocation amount invested in priority area(s) is equal to or greater than the matching funds requested (1:1 match).

2.2 During the grant-making of the Benin matching funds, efficiencies equivalent to EUR 119,996 were identified across both catalytic priorities which will be returned to the matching funds pool (EUR 4,729 for HIV: Key populations impact and EUR 115,267 for HIV: Programs to remove human rights-related barriers to health services).

Kenya HIV: KEN-H-TNT – Children’s Investment Fund Foundation

2.3 The Kenya HIV grants were approved by the Board through GF/B38/EDPo2. The proposed additional funding of US\$ 3,954,564 which is private sector contribution from the Children’s Investment Fund Foundation (CIFF), will be integrated into the KEN-H-TNT grant. This additional investment will finance items on the Register of Unfunded Quality Demand (UQD) for the Kenya HIV program, implemented in line with the differentiated ART service delivery for adults and children intervention. The CIFF funding will thus reduce the US\$ 76 million ART service delivery gap, currently on the UQD register, by approximately US\$ 4 million. US\$ 3 million of the proposed additional funding relates to pediatrics ART commodities and US\$ 1 million to provide essential supporting interventions related to ART pediatric service delivery in the 10 least performing counties in terms of ART pediatric indicators (testing, treatment, and viral suppression). This funding will accelerate and sustain pediatric treatment and lead to better viral suppression outcomes across the country, therefore contributing to increased impact. The GAC notes that signature of the CIFF contribution agreement is still pending.

3. Additional Matters

3.1 The Board is hereby notified that the Secretariat, in order to prevent program disruption during grant-making, approved extensions in Table 3 as follows:

Table 3: Extensions Approved by the Secretariat

| Applicant | Disease Component | Grant Name | Currency | Total Extension Budget | Additional Funding | Proposed Extension Duration (Months) | Proposed End Date |
|------------|-------------------|------------|----------|------------------------|--------------------|--------------------------------------|-------------------|
| Kosovo | HIV/AIDS | QNA-H-CDF | EUR | 130,931 | 130,931 | 3 | 31/03/2018 |
| Kyrgyzstan | HIV/AIDS | KGZ-C-UNDP | USD | 3,509,263 | 3,509,263 | 6 | 30/06/2018 |

4. Privileges and Immunities

4.1 Of the applicants for which funding recommendations are currently being made, Uganda has signed but not ratified the Global Fund Agreement on Privileges and Immunities. Countries not specified above have not yet signed the Global Fund Agreement on Privileges and Immunities.

Annex 1 – Relevant Past Decisions

1. Pursuant to the Governance Plan for Impact as approved at the Thirty-Second Board Meeting,¹⁴ 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/EDP05: Decision on the Secretariat's recommendation for funding the Benin HIV grants in October 2017. | This decision point approved the Benin HIV grants (BEN-H-PlanBen; BEN-H-PSLS). |
| GF/B37/EDP07: Decision on the Secretariat's recommendation for funding the DRC TB/HIV grants in November 2017. | This decision point approved the DRC TB/HIV grants (COD-C-CORDAID; COD-H-MOH; COD-T-MOH). |
| GF/B37/EDP05: Decision on the Secretariat's recommendation for funding the Uganda TB/HIV grants in October 2017. | This decision point approved the Uganda TB/HIV grants (UGA-C-TASO; UGA-H-MoFPED). |
| GF/B38/EDP02: Decision on the Secretariat's recommendation for funding the Ukraine TB/HIV grants and Kenya HIV grant in December 2017. | This decision point approved the Ukraine TB/HIV grants (UKR-C-AUA; UKR-C-AUN; UKR-C-PHC) and Kenya HIV grant (KEN-H-TNT). |
| GF/B37/DP08: Approval of Revisions to the Amended and Restated Global Fund Policy for Restricted Financial Contributions | This decision allows private sector or Debt to Health contribution to UQD. |

¹⁴ 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/>)