

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B39/ER08

Board Decision

Purpose of the paper: This document proposes the decision point as follows:

1. GF/B39/EDP09: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation^{1,2}

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

¹ Guatemala HIV. Total recommended amount to the Board is **US\$ 14,761,220** of country allocation funding.

² In addition, the integration of **US\$ 9,859,657** and **EUR 1,782,187** of matching funds (catalytic investments) into the respective existing grants for Ghana HIV, Philippines HIV, Tanzania Malaria and Togo Malaria are recommended.

Decisions

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

Decision Point: GF/B39/EDP09: 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/B39/EDP09 (“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.

Executive Summary

Context and Input Received

- The Secretariat recommends the approval of funding up to an amount of US\$ 14,761,220 of country allocation funding. The recommended investments translate into 1 grant in Guatemala. In addition, the Secretariat recommends the approval of US\$ 9,859,657 and EUR 1,782,187 of matching funds to be integrated into the grants for Ghana, Philippines, Tanzania and Togo, all of which were previously approved by the Board.
- The grant in Table 1a has 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 this 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 and/or grant implementation.

- During grant-making, the applicant refined the grant documents, addressed relevant issues raised by the TRP and Grant Approvals Committee (GAC) and sought efficiencies where possible. For this 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.

Input Sought

1. The Board is requested to review the request and agree on a 'no objection' basis, the decision point GF/B39/EDPO9: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation Period.
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 the grant in Table 1a and has deemed the grant disbursement-ready. All relevant documents containing the Secretariat's reasons for its recommendations to the Board have been made available on the Governance Extranet and are accessible through [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	Currency	Total Program Budget	Catalytic Funds in Grant	Domestic Commitment ⁴	Unfunded Quality Demand
1	Guatemala	HIV/AIDS	GTM-H-INCAP	31/12/2020	USD	14,761,220	N/A	124,237,798	3,750,824

Table 1b: Secretariat’s Funding Recommendation on Integrating Matching Funds 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	Ghana	HIV/AIDS	GHA-H-WAPCAS	Catalytic Funds (Matching funds)	USD	7,445,969	5,898,599	13,344,568	HIV/AIDS: Programs to remove human rights related barriers to health services - US\$2,299,730 HIV/AIDS: Key populations - US\$3,598,869
2	Philippines	HIV/AIDS	PHL-H-SC		USD	8,483,242	1,000,000	9,483,242	HIV/AIDS: Programs to remove human rights related barriers to health services
3	Tanzania (United Republic)	Malaria	TZA-M-MOFP		USD	188,718,355	2,961,058	191,679,413	RSSH: Data systems, data generation and data use
4	Togo	Malaria	TGO-M-PMT		EUR	28,461,398	1,782,187	30,243,585	RSSH: Data systems, data generation and data use

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.

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

1.1 Unless otherwise specified below, each applicant has met the willingness-to-pay requirements for the 2014-2016 allocation period and the co-financing requirements for the 2017-2019 allocation period as set forth in the Sustainability, Transition, and Co-Financing (STC) Policy. Domestic commitments for disease-specific and health-related spending are subject to local currency value fluctuations against US dollars and Euro currencies.

Guatemala HIV Grant: Instituto de Nutrición de Centro América y Panamá (GTM-H-INCAP)

1.2 The proposed Global Fund grant will focus on (i) comprehensive prevention programs for men who have sex with men, transgender people, sex workers, and people in prison in prioritized areas based on disease burden to improve targeting and quality of package to increase HIV case finding; (ii) treatment care and support including improved access to viral load and CD4 counts, transition to dolutegravir in first line regimen and differentiated and decentralized HIV care; and (iii) strengthening the Health Management Information Systems (HMIS) to allow monitoring of continuum of care and identification of key populations. These HIV investments will aim to reach 90% of the estimated population in targeted municipalities by 2020: 36,120 men who have sex with men, 1,610 transgender people, 13,095 sex workers, 4,500 people in prison, and will have 20,609 people living with HIV on ART.

1.3 **Co-financing and domestic commitment:** The Government of Guatemala has made an indicative commitment to contribute US\$ 113,302,184 of public funding from Ministry of Health and Social Assistance (MSPAS) and Social Security for the HIV response for the 2017-2019 allocation period, which is above the minimum requirement and represents an increase of US\$ 23 million compared to the 2014-2016 allocation period. In a commitment letter dated 6 February 2018 submitted by the MSPAS, the Government has committed to increase the amount spent on human resources for the HIV response by US\$ 2.95 million.

1.4 **GAC Review and Recommendations:**

- The Secretariat noted the increased domestic health expenditures and further encouraged the Government of Guatemala to increase HIV investments towards medicines and diagnostic commodities. The GAC welcomed the Government's interest in developing a sustainability strategy. In addition, the Secretariat updated the GAC on the discussions with country stakeholders, including other donors and partners, with respect to the scope of the sustainability strategy, the technical assistance needs as well as the overall roadmap for its development. The GAC noted that the terms of reference for the technical support, to be funded from the Strategic Initiative on Sustainability Transition and Efficiency, have been developed and published. The technical support is anticipated to be deployed in the second part of 2018.
- The GAC noted that the TRP recommendation to strengthen interventions addressing gender-based violence against girls and women, including transgender women, is still in the process of being resolved. The Secretariat further noted that the country should develop a plan to frame the proposed interventions in a clear and systematic matter and identify activities, which will be supported by the grant, as well as the activities that remain without funding or that may be considered for financing in the future through a reprogramming exercise. A small amount of funding has been ring-fenced to finance any required technical assistance and any additional needs that might arise from this plan.

2. Grant Revisions

Integration of Matching Funds into Board Approved Grants

2.1 Certain applicants submitted their allocation funding requests under the April / June 2017 TRP Review Window and 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 previously

approved by the Board, the GAC reviewed and recommended matching funds for four grants listed in Table 1b.

2.2 In collaboration with Partners, the GAC assessed the Ghana, Philippines, Tanzania and Togo matching funds requests. Tanzania RSSH (data systems, data generation and data use) and Ghana HIV (program to remove human rights related barriers to health services) priority areas met the matching funds conditions whilst others sought exceptions: for the Ghana HIV (key populations impact) priority area, the applicant did not meet the allocation condition, as the country was unable to demonstrate an increase in investment for this priority area vis-a-vis the 2014-2016 allocation; for the Philippines HIV (program to remove human rights related barriers to health services) and the Togo RSSH (data systems, data generation and data use) priority areas the applicants were not able to meet the 1:1 match condition. The 1:1 condition requires that funding within the 2017-2019 allocation invested in the strategic priority area is equal to, or more than, the matching funds requested. Based on TRP recommendations, and noting the operating environment as well as the potential catalytic effect / impact of the investments, the GAC approved relevant waivers to the conditions for Ghana, Philippines and Togo.

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 the Table 2 as follows:

Table 2: Extensions Approved by the Secretariat

Applicant	Disease Component	Grant Name	Currency	Total Extension Budget	Additional Funding	Proposed Extension Duration (Months)	Proposed End Date
Armenia	HIV/AIDS	ARM-H-MEA	USD	333,033	332,782	6	31/03/2019
Armenia		ARM-H-MOH	USD	465,433	416,810	6	31/03/2019
Guatemala	Malaria	GUA-M-MSPAS	USD	716,023	0	6	31/12/2018

4. Privileges and Immunities

4.1 Of the applicants for which funding recommendations are currently being made, Togo has signed and ratified the Global Fund Agreement on Privileges and Immunities. Ghana 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,⁵ the following summary of relevant past decision points is submitted to contextualize the decision points proposed in Section I above.

⁵ 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/B38/EDPo8: Decision on the Secretariat's recommendation for funding the Ghana HIV grant in January 2018	This decision point approved the Ghana HIV grant (GHA-H-WAPCAS)
GF/B37/EDPo5: Decision on the Secretariat's recommendation for funding the Philippines HIV grant in October 2017	This decision point approved the Philippines HIV grant (PHL-H-SC)
GF/B38/EDPo2 and GF/B38/EDP15: Decisions on the Secretariat's recommendations for funding the Tanzania Malaria grant in December 2017, including the RSSH component in March 2018	These decision points approve the Tanzania Malaria grant (TZA-M-MOFP)
GF/B37/EDPo7: Decision on the Secretariat's recommendation for funding the Togo Malaria grant in November 2017	This decision point approved the Togo Malaria grant (TGO-M-PMT)