

# **Electronic Report to the Board**

## Report of the Secretariat's COVID-19 Response Mechanism

GF/B48/ER13

### **Board Decision**

Purpose of the paper: This paper sets forth the Secretariat's recommendation on additional funding from the COVID-19 Response Mechanism for Board approval.

*Document Classification: Internal.*

*Document Circulation: Board Members, Alternate Board Members, Constituency Focal Points and Committee Members.*

*This document may be shared by Focal Points within their respective Board constituency. However, it must not be subject to any further circulation or otherwise be made public.*

## Decision

### **GF/B48EDP15 Additional Funding from the COVID-19 Response Mechanism**

*The Board:*

- 1. Notes its decision in GF/B48/DP03, which approves C19RM funds to be awarded through 30 June 2023, with opportunity for subsequent C19RM Portfolio Optimization awards;*
- 2. Approves the additional funding recommended for each country listed in Table 1 of GF/B48/ER13 (“Table 1”); and*
- 3. Delegates to the Secretariat authority to redistribute the overall upper ceiling of funding available for each country among its constituent grants in accordance with previously approved principles under GF/B44/EDP18.*

*This decision does not have additional budgetary implications for operating expenses.*

# Executive Summary

## Context and Input Received

The Secretariat hereby recommends the approval of additional funding through the COVID-19 Response Mechanism (C19RM) for Tanzania up to an amount of US\$37,505,782.

The country awards in Table 1 are recommended by the Secretariat following internal review processes, which included input from the COVID-19 Technical Advisory Group (CTAG) and GAC partners.

For each country funding request, the Secretariat reviewed (i) the strategic focus of the investment; (ii) alignment with WHO technical guidance, the national COVID-19 response coordinating body or other evidence of alignment with the national approach to COVID-19 (as relevant) and the C19RM Technical Information Note; (iii) linkages with underlying grants and service disruption for HIV, tuberculosis (TB) and malaria programs; (iv) alignment with principles of stakeholder and community engagement, gender equity and human rights; (v) appropriateness of procurement channels and evaluation of sourcing implications for health products requested; (vi) the technical soundness of the request and expected outcomes; (vii) the feasibility and assumptions of proposed activities and the associated budget, including effective utilization of existing C19RM funds; (viii) complementarity/potential duplication with other available sources of funding including the HIV, TB and malaria country allocation for Grant Cycle 7 (GC7); (ix) residual risks, including associated fiduciary risks related to implementation arrangements and/or interventions, mitigating and assurance measures to ensure that funds are used for intended purposes; and (x) value for money.

All relevant documents relating to the Secretariat's recommendation are accessible through [this link](#).

For each country, the following documents are provided to substantiate the Board decision:

- C19RM unfunded demand submission;
- C19RM budget (as revised for final recommendation for Board approval, if applicable); and
- C19RM Health Product Management Template (HPMT).

## Input Sought

The Board is requested to approve decision point GF/B48/EDP15: Additional Funding from the COVID-19 Response Mechanism.

## Table 1: Secretariat's Recommendation on Additional C19RM Funding

Please note that each country name is [linked](#) to the extranet site where supporting documents are available for review.

Country	Grant name	Currency	Additional funding recommended for Board approval (by grant)	Total additional funding recommended for Board approval	Previously approved C19RM funding*	Total C19RM funding*
<a href="#">Tanzania</a>	TZA-M-MOFP	US\$	30,177,545	37,505,782	112,916,548	150,422,330
	TZA-T-MOFP	US\$	7,328,237			

\*This amount includes funding previously awarded under C19RM 2020 which has been integrated into the GC5 and/or GC6 grants.

# Summary of the Deliberations of the Secretariat's C19RM Investment Committee on Additional Funding Recommendations

## Additional funding to finance prioritized demand from C19RM Portfolio Optimization Wave 1 requests.

In a November 2022 Board decision<sup>1</sup>, the Board approved that C19RM funds may be awarded through 30 June 2023 (with opportunity for subsequent C19RM Portfolio Optimization) and implemented through 31 December 2025 across Grant Cycle 6 (GC6) and Grant Cycle 7 (GC7) (C19RM Extension). The Board acknowledged the shift in countries' priorities towards longer-term investments in health systems' infrastructure and capacities for pandemic preparedness and response and also stressed the need to facilitate careful planning of such investments, including alignment with potential funding requests for GC7.

On 14 April 2023, the Board approved US\$361,932,135 and EUR18,430,438 additional funding<sup>2</sup> to finance prioritized demand expressed through C19RM Portfolio Optimization requests from Bangladesh, Burkina Faso, Congo (Democratic Republic), Ethiopia, Ghana, Kenya, Malawi, Nigeria, Rwanda, Uganda, and Zambia. Strategic priority investment areas covered by this funding comprised: (a) incremental PSM costs urgently needed for pending orders for HIV, TB and malaria commodities, including ensuring timely Insecticide-Treated Net (ITN) campaigns; (b) oxygen surveillance and data; (d) Infection Prevention and Control (IPC) beyond Personal Protective Equipment (PPE); (f) lab systems and diagnostic networks; (g) Test and Treat and novel therapeutics; (h) community health workers (CHW); (i) supply chain and waste management; and (j) TB mitigation, given the longer term implications of COVID-19 on recovery of TB programs.

Following the launch of C19RM Portfolio Optimization Wave 1, the Secretariat outlined the following observations and initial lessons learned: (a) the need to strengthen health and community systems remains substantial and is increasing. Out of the US\$1.7 billion of C19RM Portfolio Optimization Wave 1 unfunded demand requests submitted by 49 applicants in 2022, 56% was directed towards systems-strengthening interventions, showing a substantial increase in funding needs from 12% of C19RM unfunded demand in 2021; (b) systems-strengthening investments take longer to prepare, review, and implement effectively. Consequently, the timelines of systems-strengthening interventions are integral to their ultimate impact; (c) a clear prioritization of C19RM funding is needed to avoid spreading the money too thinly across multiple priorities, to mitigate the risk of duplicating efforts across HIV, TB and malaria grants and to ensure effective coordination with other funding sources; (d) C19RM value proposition of maintaining urgency, agility and efficacy remains relevant to accelerating delivery of tangible results and creating a legacy of sustainable outcomes.

**Lessons learned from C19RM Portfolio Optimization Wave 1 Operationalization:** As a result of the longer than expected timelines for implementation of C19RM Portfolio Optimization Wave 1, the Investment Committee (IC) recommended a cross-functional review and documentation of lessons learned to strengthen monitoring and oversight (M&O) and ensure timely execution of C19RM Portfolio Optimization Wave 2. The Secretariat highlighted the following observations and initial lessons learned:

- **Leverage lessons learned from the HIV, TB and malaria Prioritization Framework for Funds that Become Available for Portfolio Optimization and Financing Unfunded Quality**

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<sup>1</sup> GF/B48/DP03

<sup>2</sup> GF/48/EDP10

**Demand**<sup>3</sup>. Draw on lessons from operationalization of the prioritization framework for financing Unfunded Quality Demand (UQD), including on effectiveness and efficiency in investing additional funds which rely on the UQD Register. Investment Committee members recommended developing a UQD Register for C19RM to maximize implementation time and provide a holistic view of priority unfunded needs across the portfolio. Developing the C19RM UQD Register will further ensure rapid deployment of funds aligning with timing for when financial commitments need to be made, enhance visibility on reinvestments through upfront reprogramming, while considering absorption capacity and implementation support. Establishing a UQD Register with C19RM Portfolio Optimization Wave 2 will also remove the need for countries to submit C19RM funding requests for each new funding opportunity.

- **Refine and adapt C19RM processes to align with the strategic shift.** The need for agility and rapid deployment of C19RM funds remains relevant however, C19RM process optimization and simplification should also be balanced and adapted to reflect the strategic shift from emergency response to health systems strengthening and pandemic preparedness. Refinements should consider:
  - end-to-end project management,
  - upstream and downstream inter-dependencies,
  - setting upfront guidance on what information is required to review and make decisions on investments,
  - defining management actions and legal requirements for the proposed investments,
  - managing impact on transaction costs for CCMs, PRs, LFAs, and Secretariat Teams,
  - developing service standards across the Secretariat functions to meet set targets and deliver results.
- **Monitoring and oversight (M&O).** The Investment Committee acknowledged the need for transparency on progress in operationalization of the C19RM Extension and recommended updating the performance and accountability metrics. The Investment Committee also requested the Secretariat to define how M&O will be applied during the extended implementation period to allow for identification of challenges and bottlenecks to be addressed or issues to be escalated. Early identification of challenges will allow for timely implementation of strategic actions. Moreover, early review of financial, programmatic and operations data will inform planning of implementation support and comprehensive reporting on emerging issues and results to maximize implementation time, fund utilization and impact of investments.
- **Communications and change management.** Given the dynamic nature of C19RM, there is need to build on the periodic operational updates to countries for more and regular information on strategic changes and operationalization of the C19RM Extension – through the [Global Fund website](#) and information sessions (internal and external). Activities implemented include updates to the C19RM Technical Information Note, M&E Framework, and revisions to C19RM Guidelines. In addition, there is ongoing support to countries (by Secretariat teams in collaboration with partners) on C19RM strategic priority areas, funding requests development, use of essential tools / templates, and Pandemic Fund integration.

In this report, the Secretariat recommends to the Board additional C19RM funding for immediate award to Tanzania.

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<sup>3</sup> GF/SC04/04 - Prioritization Framework for Funds that Become Available for Portfolio Optimization and Financing Unfunded Quality Demand

# Summary of the Secretariat's C19RM Investment Committee Additional Funding Review and Recommendations

The following section contains further details and the rationale of recommendations contained in this report:

## 2.1 Tanzania (United Republic): Ministry of Finance and Planning of the United Republic of Tanzania (TZA-M-MOFP, TZA-T-MOFP)

The recommended C19RM additional funding of US\$37,505,782 for Tanzania complements the previously approved C19RM awards of US\$112,916,548 and brings the cumulative C19RM award to US\$150,422,330, equivalent to 26% of Tanzania's total GC6 allocation. Tanzania had seen a steady decline in reported cases of COVID-19 up to June 2022, when a slight increase in the number of cases was noted. As of 9 September 2022, Tanzania has recorded a cumulative total of 35,786 confirmed cases by PCR (6.3 percent positivity rate) and 2,795 cases by rapid antigen test (0.9 percent positivity rate). The country continues to monitor COVID-19 trends on a weekly basis and takes appropriate preventive and response measures. Tanzania's COVID-19 response is guided by a series of national COVID-19 response plans. The additional investment through Portfolio Optimization is premised on these national plans and builds on previously approved C19RM funds.

Overall, the country has demonstrated good performance with an in-country absorption rate for C19RM funds at 69% (based on December 2022 proximal financial data). Previously approved C19RM awards support the diagnostic capacity for COVID-19 through laboratory systems strengthening, including the procurement of PCR reagents and rapid diagnostic tests (RDT). Additionally, the Principal Recipient procured PPE for infection prevention and control (IPC), medical oxygen therapy equipment and consumables for pulmonary case management, digital x-ray machines, waste management and hygiene management equipment, computers, and related devices. The previously awarded funding also went towards mitigation of supply chain disruptions by providing additional freight cost for malaria program commodities as well as enhancing surveillance, increasing public awareness, the capacity of CHW and technical staff. Existing C19RM investments in Tanzania will also support procurement of 25 PSA oxygen plants to be installed starting from June 2023 in different areas, including hard to reach districts, towards which this requested C19RM Portfolio Optimization Wave 1 submission will complement funding.

The **C19RM additional funding** will support the country's health systems strengthening and pandemic preparedness effort by further investing in oxygen and respiratory care, IPC beyond PPE, lab systems and diagnostic networks, TB mitigation activities, surveillance and data, supply chain and waste management as outlined below:

- **Oxygen and respiratory care.** Funding will complement existing oxygen investments in the country. Specifically, the funding will procure and install an additional 25 PSA plants and will support training and mentorship of the national oxygen-related team. Expected outcomes include increased critical oxygen and respiratory care capacity and coaching to all health facilities with established critical care services in the country.
- **Lab systems and diagnostic networks.** Funding will further build capacity of the laboratory diagnostic network including procurement of 15 biosafety cabinets and equipment for laboratory system and diagnosis strengthening. Investments will strengthen the existing COVID-19

sample referral system and re-map the sample collection sites and testing laboratory to harmonize sample transportation routes in country.

- **Surveillance and data.** Funding will support the country's digitalization of health facilities, including data management at lower-level health facilities and dispensaries. Similarly, training sessions will be conducted to build capacity among surveillance officers and enhance overall disease surveillance and reporting.
- **TB mitigation investments and building multi-pathogen capability.** Funding will bolster TB mitigation, strengthening multi-pathogen diagnostic capability and integrated testing, by funding both TB-specific tools and consumables, such as 11 CAD4 TB Box and licenses, 195,150 GeneXpert TB cartridges, and 26,020 Truenat TB consumables and related PSM costs, as well as, multi-pathogen diagnostic capability such as 11 mobile digital X-ray devices, 75 GeneXpert machines and 110 Truenat duo machines, which strengthen the diagnostic capabilities of the broader national health system .
- **Supply Chain.** Funding will be allocated towards the integration and digitalization of the country's procurement, supply chain and quality management systems, reviving the Strategic Management Unit (SMO) and warehouse handling equipment.
- **Waste management.** Funding will support activities to strengthen waste management through IPC at the community level in eight regions and develop a waste management system, including for infectious waste.

GAC/CTAG partners were supportive of the request acknowledged its focus on strengthening existing systems, with support for ongoing development of emergency services and critical care. The Investment Committee acknowledged that the request supports the end-to-end implementation of oxygen and respiratory care capital investments in generation capacity, specifically PSA plants to ensure that oxygen is generated and delivered to the point of care, and its quality and use is monitored. The C19RM additional investment will also support scale up of lab systems and diagnostic networks, surveillance and data, as well as supply chain and waste management. In line with the updated C19RM Assurances, the Investment Committee recommends developing and implementing plans for risk-based assurances, including pre-award procurement reviews, and to apply standard assurances to verify the implementation of PSA plants and oxygen-related investments. Additionally, the Investment Committee highlighted the need to prioritize training-related activities to ensure quality, value for money and results measurable through sustainable outputs and outcomes. The Investment Committee suggested applying the performance framework indicators to monitor investments in surveillance, laboratory systems and oxygen-linked investments and emphasized the need for a balance of investments to deliver disease-specific surveillance and integrated surveillance. Lastly, the Investment Committee recommended optimizing the utilization of multi-disease diagnostic platforms, including using the platform for integrated testing to maximize impact and value for money.



**Table 2: Additional Funding Budget Distribution by Strategic Investment Priority Area**

Country	Currency	Mitigation for disease programs			COVID-19 control and containment		Health and community systems									
		Incremental delivery and procurement costs for HIV, TB and malaria programs	TB Mitigation: Consumables	TB Mitigation: Other	Test & Treat/Novel Tx	Program Management	Digital X-rays	Testing machines	Oxygen & respiratory care	Surveillance & Data	Lab Systems & Dx Networks	Community Health Workers	Waste Management	Supply Chain	IPC Beyond PPE	Other Community
Tanzania	US\$	0	2,932,637	0	0	0	797,573	3,598,028	15,484,741	4,576,618	5,496,944	0	358,469	3,387,048	873,725	0

**Table 3: Mapping of Additional Funding According to Strategic Shift of Investment Priorities in C19RM Extension**

Strategic Priority		Awarded (US\$ m)	Intervention	Original Board priority	Updated Board priority
TB Mitigation	Digital X-rays	0.8	Case management, clinical operations and therapeutics	COVID-19 control and containment	Health and community systems
	Testing machines	3.6	COVID Diagnostics and testing	COVID-19 control and containment	Health and community systems
	TB Consumables	2.9	Mitigation for TB programs	Mitigation for disease programs	Mitigation for disease programs
	Other	0.0	Mitigation for TB programs	Mitigation for disease programs	Mitigation for disease programs
Incremental delivery and procurement costs for HIV, TB and malaria programs		0.0	Mitigation for disease programs	Mitigation for disease programs	Mitigation for disease programs
Community Health Workers		0.0	Crosscutting	crosscutting	Health and community systems
Lab Systems & DX Networks		5.5	Laboratory systems	Health and community systems	Health and community systems
Surveillance & Data		4.6	Surveillance systems	Health and community systems	Health and community systems
Oxygen & respiratory care		15.5	Case management, clinical operations and therapeutics	COVID-19 control and containment	Health and community systems
Supply Chain		3.4	Health products and waste management systems	Health and community systems	Health and community systems
IPC Beyond PPE		0.9	Infection prevention and control	COVID-19 control and containment	Health and community systems
Waste Management		0.4	Health products and waste management systems	Health and community systems	Health and community systems
Program Management		0.0	Grant management	COVID-19 control and containment	COVID-19 control and containment
Other (Community / Health system recovery)		0.0	Crosscutting	crosscutting	Health and community systems
Test & Treat/Novel Tx		0.0	Case management, clinical operations and therapeutics	COVID-19 control and containment	COVID-19 control and containment
<b>Total Recommended Amount for Board Approval</b>		<b>37.5</b>			

## Annex 1 – Relevant Past Decisions

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

Relevant past Decision Point	Summary and Impact
<p><b>GF/B48/EDP10: Approval of Additional Funding from the COVID-19 Response Mechanism</b> <b>April 2023</b></p>	<p>This decision point approved: Additional Funding from the COVID-19 Response Mechanism for Bangladesh, Burkina Faso, Congo (Democratic Republic) Ethiopia, Ghana, Kenya, Malawi, Nigeria, Rwanda, Uganda and Zambia.</p>
<p><b>GF/B48/DP03: Extension of the COVID-19 Response Mechanism<sup>5</sup></b> <b>November 2022</b></p>	<p>This decision point approved that:</p> <ul style="list-style-type: none"> <li>(i) C19RM funds may be awarded through 30 June 2023, with opportunity for subsequent C19RM Portfolio Optimization awards;</li> <li>(ii) C19RM funds may be implemented through 31 December 2025 to finance interventions across the Sixth and Seventh Replenishment periods;</li> <li>(iii) C19RM funding requests will continue to be developed through appropriate, multi-sectoral consultation and fully inclusive decision-making;</li> <li>(iv) Up to 4.5% of C19RM funds (an increase from the prior ceiling of 3%) may be used by the Secretariat to cover, additional management and operating costs related to the extension of C19RM; and</li> <li>(v) All other parameters of C19RM under GF/B46/EDP06 remain unchanged.</li> </ul>
<p><b>GF/AFC20/DP03: Approval of Available Sources of Funds for the COVID-19 Response Mechanism</b> <b>October 2022</b></p>	<p>The Audit and Finance Committee approved an additional amount of US\$164 million as available sources of funds for C19RM.</p>
<p><b>GF/AFC20/DP02: Approval of Available Sources of Funds for Optimization and Financing Unfunded Demand for the COVID-19 Response Mechanism</b> <b>October 2022</b></p>	<p>The Audit and Finance Committee approved US\$400 million of forecasted unutilized C19RM funds as available sources of funds and acknowledged that such amount will be used to award C19RM funds through 31 March 2023.</p>

<sup>4</sup> 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/>)

<sup>5</sup> <https://www.theglobalfund.org/kb/board-decisions/b48/b48-dp03/>

<p><b>GF/AFC19/DP04: Approval of Available Sources of Funds for the COVID-19 Response Mechanism</b> <b>July 2022</b></p>	<p>The Audit and Finance Committee approved an additional amount of US\$171 million as available sources of funds for C19RM.</p>
<p><b>GF/B46/EDP06: Extension of the COVID-19 Response Mechanism and COVID-19 Operational Flexibility<sup>6</sup></b> <b>December 2021</b></p>	<p>The Board approved a further extension of the timelines for the receipt and award of funds for the Global Fund COVID-19 Response Mechanism based on further modifications proposed by the Secretariat.</p>
<p><b>GF/B44/EDP18: Second Extension of C19RM Timeline and Operational Flexibility for COVID-19<sup>7</sup></b> <b>March 2021</b></p>	<p>The Board approved a further extension of the timelines for the receipt, award, and use of funds for the Global Fund COVID-19 Response Mechanism based on further modifications proposed by the Secretariat.</p>

<sup>6</sup> <https://www.theglobalfund.org/kb/board-decisions/b46/b46-edp06/>

<sup>7</sup> <https://www.theglobalfund.org/kb/board-decisions/b44/b44-edp18/>