

# **Electronic Report to the Board**

## **Report of the Secretariat's Grant Approvals Committee**

GF/B49/ER05

### **Board Decision**

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

1. GF/B49/EDP05: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation<sup>1</sup>

*Document Classification: Internal.*

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<sup>1</sup> The Secretariat recommends the approval of funding from the 2023-2025 Allocation for 6 grants: Cote d'Ivoire HIV, Cote d'Ivoire HIV/TB, Cote d'Ivoire TB, Eswatini Malaria, Guinea Bissau Malaria and Mongolia HIV/TB, up to an amount of **US\$16,726,634** and **EUR123,386,827** of country allocation funding, including matching funds of **EUR1,509,750** for the Côte d'Ivoire HIV/TB grant.

# Decision

**Decision Point: GF/B49/EDP05: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation**

The Board:

1. Approves the funding recommended for each country disease component, and its constituent grants, as listed in Table 1 of GF/B49/ER05 ("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 operating expenses.

# Executive Summary

## Context and Input Received

### Secretariat's Recommendation on Funding from the 2023-2025 Allocation

The Secretariat recommends the approval of funding from the 2023-2025 Allocation for 6 grants: Côte d'Ivoire HIV, Côte d'Ivoire HIV/TB, Côte d'Ivoire TB, Eswatini Malaria, Guinea Bissau Malaria and Mongolia HIV/TB, up to an amount of **US\$16,726,634** and **EUR123,386,827** of country allocation funding, including matching funds of **EUR1,509,750** for the Côte d'Ivoire HIV/TB grant.

The grants in Table 1 have been found to be disbursement-ready by the Global Fund Secretariat following a thorough review process and in consultation with Partners.

The funding requests for each country component were 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 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.

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 Form;
- Grant Confirmation; and
- TRP Clarification Form (applicable only if the TRP requested clarifications).

The GAC has reviewed the materials associated with the grants in Table 1 and has deemed the grants 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](#).

## Input Sought

The Board is requested to review the request and agree on a 'no objection' basis, the decision point GF/B49/EDP05: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation.

**Table 1: Secretariat’s Recommendation on Funding from the 2023-2025 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 <sup>2</sup>	Grant End Date	Currency	Total Program Budget	Catalytic Funds in Grant	Co-financing Commitment <sup>3</sup>	Unfunded Quality Demand (US\$)
1	<a href="#">Côte d’Ivoire</a>	<a href="#">HIV</a>	CIV-H-MOH	12/31/2026	EUR	49,072,752	-	Pending finalization of the Commitment Letter	18,175,461
		<a href="#">HIV/TB</a>	CIV-C-ACI			32,515,365	1,509,750		
		<a href="#">TB</a>	CIV-T-MOH			12,025,223	-		
2	<a href="#">Eswatini</a>	Malaria	SWZ-M-NERCHA	12/31/2026	US\$	2,632,098	-	Pending finalization of the Commitment Letter	817,306
3	<a href="#">Guinea-Bissau</a>	Malaria	GNB-M-UNDP	12/31/2026	EUR	29,773,487	-	Pending finalization of the Commitment Letter	9,637,357
4	<a href="#">Mongolia</a>	HIV/TB	MNG-C-MOH	12/31/2026	US\$	14,094,536	-	Pending finalization of the Commitment Letter	7,373,428

<sup>2</sup> The Grant names are subject to change based on the ISO code.

<sup>3</sup> 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. Please note that the domestic commitments will only be reported when formalized through the signing of an official Commitment Letter and final co-financing figures will be shared with the Board for the 2023-2025 allocation period where signed letters have been received by the Secretariat. Commitments may be updated during implementation for countries, including to reflect any policy flexibilities that may have been granted.

# Summary of the Deliberations of the Secretariat's Grant Approvals Committee on Funding Recommendations

This section will provide an overview of some grants recommended by the GAC, prioritizing for Board visibility by, among others, level of financing, strategic risks and impact on the achievement of the Global Fund Strategy. Grant summaries will also highlight key observations and recommendations made by the GAC and Partners, as well as other key strategic issues. Unless otherwise specified, each applicant has met the co-financing requirements for the 2020-2022 allocation period and has made sufficient co-financing commitments for the 2023-2025 allocation period as set forth in the Sustainability, Transition and Co-Financing (STC) Policy. The Secretariat will monitor the finalization and realization of commitments over the grant's implementation period. Domestic commitments for disease-specific and health-related spending are subject to local currency value fluctuations against US dollars and Euro currencies.

Unless otherwise specified below, each applicant has engaged communities and civil society representatives during grant-making in line with the 2023-2028 Global Fund Strategy.

Unless otherwise specified below, following GAC recommendation, the Grant Confirmations relating to these grants have been transmitted to the Principal Recipients to commence the grant signature process contingent to Board approval. These grants will be countersigned by the Global Fund only if Board approval is obtained and will not come into effect until full execution. Execution will be subject to any further revisions recommended by the Board.

For the following grants, the GAC provided additional guidance or made specific observations to inform the investment decision:

## **Côte d'Ivoire HIV/TB: Ministry of Health, Public Hygiene and Universal Health Coverage of the Republic of Côte d'Ivoire (CIV-H-MOH, CIV-T-MOH); and Alliance Nationale pour la Santé et le Développement en Côte d'Ivoire (CIV-C-ACI)**

### 1.1 Background and programmatic context

Côte d'Ivoire remains one of the countries most affected by HIV/AIDS in the West and Central Africa region. In 2021, the prevalence rate among 15 to 49-year-olds was 1.82 percent (2.56 percent in women, 1.08 percent in men), with 407,595 people living with HIV. Key populations, such as sex workers, men who have sex with men (MSM), injecting/drug users, and transgender people, are particularly affected, with prevalence rates ranging from 6.6 to 24 percent. Despite the challenges, Côte d'Ivoire's HIV cascade of 80-90-87 puts it on track to achieve the 95-95-95 global targets by 2030.

Tuberculosis (TB) remains a significant public health concern in Côte d'Ivoire, with an estimated incidence rate of 128 per 100,000 in 2021, resulting in approximately 35,000 cases of all forms of TB. The burden of HIV among TB patients is also noteworthy, with a TB-HIV co-infection rate of 14 percent, and TB-related mortality highest among co-infected patients at 6.3/100,000. In 2021, the program showed strong results with HIV testing coverage among TB patients at 99 percent, while antiretroviral therapy coverage for co-infected patients during TB treatment reached 96 percent.

The HIV program aims to achieve the 95-95-95 targets by 2026 and reduce new HIV infections by 70 percent and HIV-related deaths by 50 percent compared to 2019. For TB, the goals are to decrease the incidence rate from 159 to 93 cases per 100,000 and the mortality rate from 36 to 12 cases per 100,000 by 2026.

## 1.2 Co-financing commitments

**2020-2022 allocation period:** Côte d'Ivoire has conditionally met its co-financing requirements, with figures currently pending validation. The Secretariat has received budget information (initial information received suggests some inconsistencies and challenges in fully meeting the co-financing requirement) and is closely following up with the Côte d'Ivoire Government to obtain supporting budgetary reports confirming the realization of its minimum co-financing requirements. Such documentation is expected to be received and reviewed ahead of submission of the Côte d'Ivoire malaria grants to the GAC for recommendation.

**2023-2025 allocation period:** Côte d'Ivoire has conditionally met its co-financing commitments, pending signature by the Ministers of Budget and Economy and Finance of the co-financing commitment letter. Côte d'Ivoire expects to increase disease-specific co-financing in the 2023-2025 allocation period, particularly for TB and investing in Resilient and Sustainable Systems for Health (RSSH). The Minister of Health has signed the commitment letter outlining financial and programmatic commitments (including related to health products). Signature by the Ministers of Budget and Economy and Finance is expected ahead of the malaria grants submission to the GAC for recommendation. For completeness, a requirement has been included in the Grant Confirmations requiring submission of the final commitment letter by no later than six months after the implementation period start-date.

## 1.3 GAC review and recommendation

- The GAC and Partners commended the HIV and TB programs' overall design, acknowledging the Ministry of Health's leadership and collaboration with partners. The Secretariat highlighted the high travel-related and human resources costs in the budget of one of the grants, noting that they are linked to the programmatic nature of the grant, particularly the payment of community actors for service delivery of prevention packages to key and vulnerable populations at the community level throughout the country.
- **Complementarity with C19RM:** The GAC acknowledged the synergies between the grants and C19RM investments, specifically in strengthening laboratory and diagnostics networks, and the planned shift towards reinvestment in pandemic preparedness.
- **HIV Investments:** GAC Partners highlighted the disparities in HIV prevention and treatment services, with the dependence on donor funding impacting the potential for scale-up in different regions of the country. The Secretariat reinforced that the country stakeholders, Secretariat and partners must move in tandem to scale up strategic areas across the country.
- The GAC acknowledged that Côte d'Ivoire was designated Matching Funds for scaling up programs to remove human rights and gender related barriers. The TRP confirmed that access and programmatic conditions have been met, and the Secretariat reaffirmed this during grant-making.
- The GAC noted the high level of reliance of the non-governmental Principal Recipient on Global Fund grant funds for its continued operations, emphasizing the need for non-governmental recipients, generally, to diversify their income sources to ensure long-term sustainability.
- **TB Investments:** The GAC observed that while critical commodity needs have been considerably reduced through grant-making in years 2 and 3, there are still remaining needs for TB cartridges during that period. The Secretariat noted that these will be purchased with the government contribution and that discussions are ongoing with the government and another partner around overall residual program gaps. The Secretariat will continue efforts to actively seek and reinvest efficiencies to address commodity gaps during grant implementation.
- The GAC acknowledged that improved diagnostics and transportation systems are expected to increase TB notification rates during implementation. For that reason, the TB notification target currently in the grant may be revised within 18-months of the implementation start date. The Secretariat emphasized the lack of reliable incidence data and noted that a TB notification register for improved surveillance will be part of the grant.

## Eswatini Malaria: National Emergency Response Council on HIV and AIDS (SWZ-M-NERCHA)

### 1.4 Background and programmatic context

Malaria elimination is a key priority in Eswatini's national development agenda and health policy. Despite its low endemicity in recent years, malaria remains a significant public health concern. The reported malaria incidence rate is less than 1 per 1,000, and *Plasmodium falciparum* is the predominant parasite responsible for over 99 percent of cases. Approximately 30 percent of the population, around 327,971 individuals, are considered at-risk, mainly in the Lubombo and Hhohho regions.

In line with the National Strategic Plan (2024-2028), Eswatini's malaria elimination program aims to achieve malaria elimination by 2025 and strengthen preventive measures.

### 1.5 Co-financing commitments

**2020-2022 allocation period:** The Secretariat granted a waiver for co-financing requirements for this period, taking account of external economic factors impacting Eswatini and internal factors such as limitations of previous methods used to apportion shared health service costs to estimate domestic program co-financing targets and performance.

Eswatini's waiver was granted due to challenges in defining compliance, particularly limitations in appropriately demarcating shared costs when assessing 2020-2022 allocation period co-financing baselines and performance, as well as the influence of factors such as commodity procurement efficiencies and exchange rate fluctuations. The Secretariat has made significant progress in setting a more appropriate co-financing baseline, commitment, and monitoring approach for the 2023-2025 allocation period.

**2023-2025 allocation period:** Eswatini has conditionally met its co-financing commitments. While a signed co-financing commitment letter has been received for malaria, further adjustments may be necessary for finalizing the commitments related to HIV and TB. The Secretariat will closely monitor and follow up on the situation, with the expectation that the final commitment letter will be submitted ahead of submission of the HIV/TB grants to the GAC for recommendation. For completeness, a requirement has been included in the Grant Confirmation requiring submission of the final commitment letter by no later than six months after the implementation period start-date.

Acknowledging the ongoing economic and fiscal challenges in Eswatini, the Secretariat will diligently monitor the country's budget and expenditures, in line with the monitoring schedule specified in the commitment letter, with a view to report any changes in context to the GAC.

### 1.6 GAC review and recommendation

- The GAC acknowledged the grant was reviewed by the TRP under the Tailored for National Strategic Plan application approach and noted the TRP's recommendation to shift the primary vector control strategy from indoor residual spraying (IRS) to a broader use of more affordable insecticide-treated nets. The GAC emphasized the importance of developing a gradual transition plan for the vector control strategy in alignment with normative guidance. The Secretariat clarified that IRS will be funded through the grant only in Year 1 and highlighted the ongoing collaboration with national stakeholders and technical partners to develop a responsible transition plan aligned with normative guidance.
- The GAC emphasized financial and programmatic sustainability of the malaria program, acknowledging that the Global Fund is the primary external support for the malaria response. The Secretariat noted the significance of the Malaria Sustainability and Transition Assessment Plan, which has provided clarity and actionable guidance for the program. The Secretariat will continue to offer ongoing support and advocacy with the government and partners.
- **Complementarity with C19RM:** The GAC recognized the complementarity of C19RM investments with the malaria program, particularly in terms of strengthening genomic sequencing capacity and supporting entomological surveillance activities.

## Guinea-Bissau Malaria: United Nations Development Programme (GNB-M-UNDP)

Malaria remains a significant public health concern in Guinea-Bissau, posing a substantial burden on general morbidity and mortality, particularly among children under five and pregnant women. While efforts to combat malaria have resulted in remarkable reductions in incidence (from 92 per 1,000 in 2018 to 79 per 1000 in 2021), there is an upward trend in prevalence rates. Between 2018 and 2020, prevalence among children under five increased five-fold from 0.7 percent to 3.6 percent, and among those over five, it tripled from 2.4 percent to 7.8 percent, showing significant regional variations.

The malaria program's primary objective is to contribute to the reduction of malaria-related morbidity and mortality in Guinea-Bissau, in alignment with the National Strategic Plan 2023-2027.

### 1.8 Co-financing commitment

**2020-2022 allocation period:** Guinea Bissau has met its co-financing requirements. The Secretariat noted that there will be a transition in the compliance monitoring approach for Guinea Bissau from the 2020-2022 allocation period to the 2023-2025 allocation period, shifting from monitoring compliance across the entire Ministry of Health budget to a more targeted approach focusing solely on RSSH eligible investments within the Ministry of Health budget (in line with their categorization as a low-income country). The Secretariat highlighted that this more targeted approach may lead to a lower baseline of overall commitments in the 2023-2025 allocation period, but will provide a more accurate and precise evaluation of the country's co-financing commitments.

**2023-2025 allocation period:** Guinea Bissau has conditionally met its co-financing commitments. The receipt of a signed co-financing commitment letter is currently delayed due to recent elections and the transition to a new government. However, the Secretariat expects to receive the fully signed co-financing commitment letter encompassing malaria, HIV and TB before submission of the HIV and TB grants for GAC recommendation. The Secretariat continues to actively engage with key stakeholders, with no significant obstacles foreseen in obtaining the signed commitment letter at this juncture. For completeness, a requirement has been included in the Grant Confirmation requiring submission of the final commitment letter by no later than six months after the implementation period start-date.

### 1.9 GAC review and recommendation

- The GAC acknowledged the high travel-related and human resources costs, attributing them to the execution of long-lasting insecticide-treated mosquito net mass campaigns and seasonal malaria chemoprevention mass campaigns.
- The GAC recognized the current delay in obtaining the signature of the commitment letter noting the need for continuous monitoring of the situation. The Secretariat noted the effective collaboration with public officials based on past experiences.
- **Complementarity with C19RM:** The GAC also appreciated the synergies between Guinea Bissau's malaria grant and C19RM investments in laboratory and diagnostics strengthening, community health strengthening, capacity building of community health workers, and enhancing the health product supply chain.

## Mongolia HIV/TB: Ministry of Health of Mongolia (MNG-C-MOH)

### 1.10 Background and programmatic context

Mongolia has a low HIV epidemic primarily concentrated among MSM and recent new infections among transgender individuals. There is a rising concern regarding the high prevalence of sexually transmitted infections among both key populations and the general population. In terms of TB, Mongolia ranks fourth among countries with the highest TB burden in the Western Pacific Region and is also included among the 30 countries globally with a significant TB burden. This is indicated by estimated incidence and mortality rates of 428 and 10 per 100,000 population, respectively.



The HIV/TB program's objectives are to achieve the diagnosis of 70 percent of people living with HIV by 2026 and to reduce TB mortality by 50 percent in 2026 compared to 2015.

#### 1.11 Co-financing commitments

**2020-2022 allocation period:** Mongolia has met its co-financing requirements. The country has consistently increased the level of domestic resources contributing to health expenditure and has progressively taken on the cost of key components of the programs financed by the Global Fund.

Despite the impact of COVID-19 pandemic restrictions and the recent geopolitical landscape in Ukraine on the economy, Mongolia has upheld its financial co-financing commitments, and programmatic commitments which includes procuring antiretroviral drugs for all people living with HIV, 100 percent of first-line TB drugs, 30 percent of second-line TB drugs, as well as salaries for MOH of Mongolia staff and other operational costs.

**2023-2025 allocation period:** Mongolia has conditionally met its co-financing commitments. Mongolia submitted a co-financing commitment letter signed by the MOH and the Ministry of Finance of Mongolia outlining the financial commitments for the 2023-2025 allocation period. However, certain programmatic commitments were not included in this letter. The Secretariat is requesting an addendum to the commitment letter to formalize the programmatic commitments during grant implementation. A grant requirement has been included in the Grant Confirmation requiring submission of the addendum by no later than six months after the implementation period start-date.

#### 1.12 GAC review and recommendation

- The GAC noted that the stewardship, capacity, and resources of the National TB program to effectively lead the TB response, particularly at the provincial and district levels, could be strengthened. The Secretariat emphasized that MOH reforms are underway to address the legal and policy barriers to strengthening the authority and mandate of the HIV and TB programs. In addition, the grant incorporates interventions to strengthen the program's stewardship function and is also considering providing technical assistance to enhance leadership and technical capacity.

## Privileges and Immunities

2.1 Of the applicants for which funding recommendations are currently being made, Côte d'Ivoire and Eswatini have signed and ratified the Global Fund Agreement on Privileges and Immunities.

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