

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee GF/B50/ER17

Board Decision

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

1. GF/B50/EDP23: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation.¹

Document Classification: Internal.

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¹ The Secretariat recommends the approval of funding from the 2023-2025 Allocation for 7 grants: Angola Multicomponent, Azerbaijan HIV/TB, Bhutan HIV/TB, Bhutan Malaria, Gambia Malaria, Rwanda HIV/TB and Rwanda Malaria, up to an amount of **US\$340,980,683** of country allocation funding, including matching funds of **US\$2,000,000** for Rwanda HIV/TB.

Decision

Decision Point: GF/B50/EDP23: 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/B50/ER17 ("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 7 grants: Angola Multicomponent, Azerbaijan HIV/TB, Bhutan HIV/TB, Bhutan Malaria, Gambia Malaria, Rwanda HIV/TB and Rwanda Malaria, up to an amount of **US\$340,980,683** of country allocation funding, including matching funds of **US\$2,000,000** for Rwanda HIV/TB.

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 and Sign-off 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/B50/EDP23: 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 ²	Grant End Date	Currency	Total Program Budget	Catalytic Funds in Grant	Domestic Commitment ³	Unfunded Quality Demand (US\$)
1	Angola	Multicomponent	AGO-Z-UNDP	30/06/2027	US\$	125,964,744	-	Pending finalization of the commitment letter	58,691,527
2	Azerbaijan	HIV/TB	AZE-C-MOH	30/06/2027	US\$	19,820,235	-	Pending finalization of the commitment letter	6,466,122
3	Bhutan	HIV/TB	BTN-C-MOH	30/06/2027	US\$	2,156,745	-	HIV: 3,107,322 TB: 3,502,800	350,107
4	Bhutan	Malaria	BTN-M-MOH	30/06/2027	US\$	1,373,076	-	Malaria: 6,142,107	461,705
5	Gambia	Malaria	GMB-M-MOH	30/06/2027	US\$	17,551,376	-	Malaria: 433,450	3,779,487
6	Rwanda	HIV/TB	RWA-C-MOH	30/06/2027	US\$	126,829,206	2,000,000	HIV: 76,385,201 TB: 8,680,256	124,834,710
7	Rwanda	Malaria	RWA-M-MOH	30/06/2027	US\$	47,285,301	-	Malaria: 80,305,014 RSSH: 118,220,833	20,360,910

² The Grant names are subject to change based on the ISO code.

³ 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 included in this report are recorded as of the date of the GAC meeting and may be updated during implementation for countries that have been granted policy flexibilities.

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 2023-2028 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. Where co-financing commitments for the 2023-2025 allocation period are indicated as pending, final commitments will be shared with the Board, upon receipt of duly finalized and signed commitment letters. In most cases, the letters are expected to be received within six months of the implementation period start date, in line with requirements in the Grant Confirmations. 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.

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:

Angola Multicomponent: United Nations Development Programme (AGO-Z-UNDP)

1.1 Background and context

While prevalence of HIV in Angola is estimated at 2%, it varies significantly across the country with six provinces showing prevalence above the national average. Women, adolescent girls and young women face a disproportionate burden of the disease. In 2022, adult women aged 15+ represented 60% of the estimated number of people living with HIV, while 1.5% of adolescent girls and young women were estimated to live with HIV compared to 0.8% of adolescent boys and young men in 2022. HIV prevalence is also disproportionately high among transgender persons, female sex workers and men who have sex with men according to the latest IBBS survey published in 2017. Overall, HIV incidence dropped from 1.2 to 0.6 per 1,000 population between 2010 and 2021. While treatment coverage has significantly increased since 2019, Angola is far from reaching the UNAIDS global targets: in 2021, only 57% of the 320,000 people estimated to be living with HIV knew their status, of which 41% were on treatment.

TB is the third leading cause of mortality and morbidity in Angola. In 2022, incidence and mortality were high at 333 and 53 per 100,000 population respectively. Despite efforts, incidence has been stationary for several years as missing TB cases continues to represent a large share of the total caseload, at 55% in 2021. The success rate of treatment against drug-susceptible TB (DS-TB) was 79% for the 2020 cohort, with gaps identified in active community case finding and in the return to care strategy. Persistent diagnostic gaps and poor treatment outcomes are partially attributable to non-alignment with WHO guidance as TB diagnostic algorithms continue to emphasize smear microscopy for non-high-risk groups or persons with presumptive TB and access to rapid TB molecular diagnostics remains limited.

In 2022, Angola had the fifth highest estimated number of malaria cases globally, representing 3.5% of the global caseload, and seventh highest ranking for deaths, accounting for 3.2% of deaths by malaria globally despite a 5% decrease in deaths caused by malaria between 2015 and 2022. Over the same period, a 175% increase in the incidence of malaria was recorded in part due to the expanding health

network and improvements to the epidemiological surveillance system. The Malaria National Strategic Plan aims to test and treat 100% of suspected and confirmed malaria cases by the end of 2025. In 2022, 96.5% of suspected malaria cases were tested and 81.3% of confirmed cases were treated according to national protocols and guidelines. In 2022, the distribution of long-lasting insecticide-treated nets (LLIN) resulted in 99% coverage in eight provinces receiving international donor, including Global Fund, support. However, due to lack of financial support, Huíla, Bié, Cabinda and Luanda as well as other provinces have not received mass distribution of LLINs since 2016 or earlier.

1.2 Risks and mitigation measures

The Secretariat acknowledges that the OIG recently conducted an audit of the 2020-2022 allocation period AGO-Z-UNDP grant. The mitigation measures set out below and reflected in the 2023-2025 allocation period grant take account of the OIG's findings.

Targeted subnational approach. This grant represents a continuation of the portfolio performance and management approach approved by the Board for Angola in the 2020-2022 allocation period through GF/B44/EDP26.⁴ This approach consists of a targeted subnational strategy prioritizing a complete service package for the three diseases and corresponding RSSH interventions in two provinces, Benguela and Kwanza Sul. Prioritized provinces were identified based on the burden of disease, the partner funding landscape, and operational and implementation considerations. By focusing on achieving high-quality implementation in prioritized geographic areas, this approach enabled the Global Fund to identify best practices and support the country to align national guidelines to the latest recommendations for diagnosis, treatment and follow-up.

Building on the lessons from the ongoing grant, the 2023-2025 allocation period grant will scale up this targeted subnational approach to one additional province, Bié. The TRP-recommended UQD will continue to be leveraged to express demand for high-impact interventions in additional provinces. Whilst the three provinces (Benguela, Kwanza Sul and Bié) are characterized by different levels of infrastructure, capacity and partner support, the Secretariat has undertaken measures to ensure implementation readiness and to mitigate the risk of commodity disruptions across the three provinces, notably in Bié.

Supply chain and data challenges. Poor infrastructure, insufficient human resources, limited internet and mobile connectivity negatively affect the supply chain performance in Angola. Moreover, fragmented data collection and validation platforms continue to hamper reliable measurement of performance and impact. The Secretariat and partners have undertaken measures to mitigate risks to the supply chain and monitoring and evaluation (M&E) performance, notably through a comprehensive assessment of the health management information system landscape in the prioritized provinces and the development of a roadmap for data quality improvement at national and provincial levels. Additionally, to improve cooperation between in country partners, a memorandum of understanding defining roles and responsibilities between the Principal Recipient and government Sub-recipients is being developed, including areas such as the support of M&E systems, grant monitoring and oversight, procurement and supply management processes, human resources for health and policy development. During the 2023-2025 allocation period, funds from the NextGen Market Shaping Strategic Initiative will be leveraged to support deployment of a data collection system for the rural and urban high-burden health facilities which will improve accountability and transparency of supply chain transactions, as well as improve data-driven decision-making.

1.3 Co-financing

2020-2022 allocation period: Angola partially met its co-financing commitments for TB in the 2017-2019 allocation period, resulting in a US\$1.6 million reduction of the 2020-2022 allocation. During the 2020-2022 allocation period, the Secretariat worked with the country to strengthen monitoring and verification

⁴ Following the 2019 OIG audit of Global Fund investments in Angola, the Global Fund invoked the Additional Safeguard Policy in January 2020 (GF-OIG-20-003) with the aim to address the poor delivery of results and programmatic impact identified by the audit. In line with steer by the Global Fund Portfolio Performance Committee and endorsement by the TRP and GAC, a targeted subnational approach was piloted for HIV, TB, malaria and RSSH investments in Angola in 2020.

of compliance with co-financing requirements, including a condition for the Government of Angola to submit to the Secretariat for review by the LFA annual reports of realization of co-financing commitments. Angola has partially met its 2020-2022 allocation period co-financing requirements. Between 2018 and 2023, the country has increased domestic health expenditure from US\$1.5 billion to US\$2.5 billion, thus meeting the requirement to progressively increase government expenditure on health. Disease-specific co-financing commitments for the 2020-2022 allocation period covered procurement of HIV antiretroviral drugs, first- and second- line TB drugs, LLINs and artemisinin-based combination therapy. Based on the latest report submitted on the co-financing realization, commitments are considered conditionally met for HIV and TB pending assessment of co-financing realization in 2023, while important challenges were identified for the realization of disease specific co-financing commitments for malaria.

2023-2025 allocation period: Angola's compliance with co-financing requirements is contingent on the submission of a finalized commitment letter signed by the Ministry of Health and relevant authority in the Ministry of Finance within 6 months of the start of grant implementation.

1.4 GAC review and recommendation

- Recognizing that Angola remains a complex operating environment, the GAC emphasized that Global Fund investments in Angola are crucial for the achievement of value for money and impact in high-burden provinces, to unlock domestic co-financing for the three diseases and to mitigate the public health consequences that Angola's disease burden has for neighbors in the Southern Africa region. Given the country's complex and fragile context, the GAC underscored the need to allow time for the unique subnational investment model devised for Angola's 2020-2022 allocation period grant to reach full maturity. The Secretariat emphasized that lessons emerging from implementation in the initial two target provinces have informed the new grant's strategy in M&E and supply chain management systems, as well as implementation readiness as the program prepares to scale up to the third province in the 2023-2025 allocation period. GAC Partners pledged to work with the Secretariat to help address these challenges during the implementation of the new grant.
- Angola has made efforts during the 2020-2022 allocation period to align national guidelines to the latest recommendations for diagnosis, treatment and follow-up for the three diseases. Whilst transitioning to dolutegravir-based antiretroviral therapy, multidrug resistant TB short-course regimens, and TB testing with GeneXpert machines for high-risk cases, the GAC and Partners acknowledged that the Government has yet to align to specific WHO normative guidance on pre-exposure prophylaxis (PrEP), HIV self-testing, TB prevention treatment, and monitoring of multidrug-resistant tuberculosis (MDR-TB) and rifampicin-resistant TB (RR-TB). The Secretariat and GAC Partners will continue to closely collaborate with the country and technical partners to ensure progressive uptake of evidence-based interventions in the 2023-2025 allocation period.
- Whilst expressing concern about Angola's increasing burden of malaria, GAC Partners were supportive of the strategy proposed for the 2023-2025 allocation period grant, highlighting the strong collaboration with the Secretariat during funding request development and grant-making. To ensure that vector control interventions yield the maximum impact, grant design has prioritized investing in dual active ingredient LLINs. The GAC acknowledged that, due to limited resources, a funding gap remains for universal coverage of the LLIN mass campaign planned for 2025. The Secretariat will closely monitor performance of this approach during implementation.
- Whilst recognizing the results achieved by the TB program in the provinces funded by the Global Fund, the GAC and Partners acknowledged that the TB program in Angola faces challenges associated with limited available resources overall, the weak partner landscape and political commitment compared to the HIV and malaria programs.
- The GAC and Partners highlighted the importance of placing emphasis on advocacy to honor domestic co-financing commitments because of the important gaps in the malaria program and concerns with recurring stock-outs of the TB commodities.

- The GAC applauded the Government of Angola for the development of the country's first National Community Health Strategic Plan. The Secretariat noted the opportunity to draw lessons from the implementation of this strategic plan in eligible provinces and emphasized the need to leverage the momentum to improve integrated community service delivery, which is critical for implementation throughout the country.
- The GAC acknowledged that the indirect cost recovery rate of 7% for the Principal Recipient, UNDP, remains subject to further Global Fund and UNDP discussion and resolution by 30 June 2024, in accordance with discretion provided to the UNDP Administrator by its Executive Board. The reduction would help substantially narrow the current gap in universal LLIN coverage in the three urban centers covered by the 2023-2025 allocation period grant. The Grant Confirmation includes a provision ring-fencing the difference between the 4% previously charged in analogous circumstances in other UNDP grants and the 7% currently proposed by UNDP until 30 June 2024, pending final decision by the UNDP Administrator, and otherwise reserving rights with respect to implementation arrangements if UNDP does not agree to the requested reduction.
- **Complementarity with C19RM investments.** Following the approval by the Global Fund's Investment Committee of Angola's reinvestment proposal in December 2023, C19RM investments are mostly focused on respiratory care infrastructure (i.e., medical oxygen) in the form of eight pressure swing adsorption plants to be implemented by the Principal Recipient with technical support from Build Health International in Benguela, Kwanza Sul and Luanda provinces. In addition, the Secretariat noted RSSH investments under the 2023-2025 allocation period grant in the areas of integrated community service delivery, diagnostic network optimization and elaboration of a health management information system strategic plan.

Rwanda HIV/AIDS, Tuberculosis, Malaria: Ministry of Health of the Republic of Rwanda (RWA-C-MOH, RWA-M-MOH)

1.5 Background and context

Rwanda is on track to control its HIV epidemic. Incidence of HIV in Rwanda has seen a significant decrease from 27 to 8 per 10,000 population between 2015 and 2019. While overall HIV prevalence stabilized around 3% among the general adult population, prevalence remains high in Kigali City, with key populations facing a disproportionately high burden of the disease. The latest IBBS surveys, report a prevalence among female sex workers and men who have sex with men was 35.2% and 6.5% respectively as per 2023 program data. In 2022, 95% of people living with HIV were estimated to know their HIV status, of which 97% were on treatment and 98% of those on treatment were virally suppressed. AIDS-related mortality declined to 2,700 annual deaths, down from 7,000 in 2010.

Similarly, the TB response in Rwanda has made considerable progress. In addition to a 39% reduction in the number of deaths caused by TB between 2015 and 2022, incidence of TB among people living with HIV and incidence of MDR-TB decreased significantly between 2015 and 2022. In 2022, the incidence of TB in Rwanda was estimated at 56 per 100,000 population and 7.4 per 100,000 population among people living with HIV, while the incidence of MDR-TB was 1.3 per 100,000 population. On the same year, the TB mortality rate was estimated at 3.2 and 1.1 per 100,000 population among HIV- negative and positive individuals respectively. Rwanda reached the TB treatment coverage global target for the first time in 2022, when it was recorded at 91%, up from 69% in 2021. The treatment success rate is also high across the board, at 87% among new and relapse cases (2021 cohort), 83% among previously treated cases, 78% for HIV coinfecting TB patients, and 95% for MDR-TB (2020 cohort).

Despite the remarkable progress of the Rwandan malaria response, malaria remains a public health concern in the country, with the entire population still at risk of infection. Whilst 85% of the country has reached an annual incidence of less than 100 per 1,000 population, a few malaria hotspot sectors remain and represent a real health threat if no evidence-based additional interventions are deployed through

robust, timely surveillance and response. There has been an 87% reduction in the malaria caseload between 2017 and 2023, from 4.8 million to 621,000 cases. In addition, incidence dropped by 88%, while severe malaria cases and malaria-related mortality saw reductions equal or above 90% over the same period. Districts where high-impact prevention interventions such as indoor residual spraying and new generations of LLINs were implemented and sustained reported the highest reductions of cases and incidence of malaria. The grant will continue to be implemented under the National Strategy Financing model which has been in place for malaria grants in Rwanda since 2015.

1.6 Risks and mitigation measures

Risk of malaria resurgence. Since 2017, Rwanda has achieved remarkable reduction in malaria cases following the successful implementation of integrated vector management and community case management strategies. However, there remains a risk of resurgence not least because of the insecticide and artemisinin resistance identified through routine monitoring and the community program reforms that carry the risk of disrupting the case management at the community level. Mitigating measures were built into the upcoming grant to address these potential risks, notably through new therapies being introduced in the 2023-2025 allocation period, procurement of first line artemisinin-based combination therapies and grant funds set aside for community health volunteers.

1.7 Co-financing

2020-2022 allocation period: Rwanda is compliant with the backward-looking co-financing requirement related to progressive increase of government expenditure on health. Whilst health expenditure has stagnated at an average of 7% of the total government spending, in absolute terms, health spending steadily increased year on year since the 2017-2019 allocation period. The disease-specific requirements were also met with an estimated total co-financing realization of US\$276.5 million in the 2020-2022 allocation period, which surpasses the total minimum requirement of US\$272.3 million.

2023-2025 allocation period: Rwanda has met forward-looking co-financing requirements. The Government intends to increase the health budget for TB, HIV and malaria from US\$92.0 million in 2023 to US\$97.0 million by 2025. As a share of total government spending, expenditures on health are expected to represent 7% in 2023 and 8% by 2026. As for the disease-specific requirement, the commitment letter indicates a commitment of US\$283.6 million, which surpasses the minimum requirement of US\$272.4 million.

1.8 GAC review and recommendation

- The GAC noted that Global Fund investments have catalyzed good performance of the national disease programs in recent years. Rwanda's 2023-2025 allocation period grants represent a continuation of the differentiated results-based financing modality piloted in Rwanda in 2013 for HIV, rolled-out to TB and malaria in 2015 and deployed in full for the first time in the 2017-2019 allocation period. The GAC recalled that the National Strategy Financing model was initially established to mitigate the impact of reductions in donor contributions by allocating funding as targeted budgetary support to the national strategic plan's operational plans and budgets. Under this model, annual funding decisions are contingent on the achievement of performance targets against a set of key indicators. The model builds on the strong partnership between community and government actors to sustain achievements to date in Rwanda.
- GAC Partners expressed support for the 2023-2025 allocation period grants and noted the strong collaboration during funding request development and grant-making. GAC Partners called attention to the pediatric HIV coverage levels which still fall behind coverage for adults, the need to include the dapivirine vaginal ring in Rwanda's PrEP package, and the importance of strengthening interlinkages with non-communicable diseases.

- Whilst acknowledging the risk of malaria resurgence in the context of established insecticide resistance and partial drug resistance, the GAC and Partners were supportive of the mitigation measures proposed through the grant.
- The GAC and Partners acknowledged that the reduced Global Fund allocation and resource constraints across the donor landscape, resulted in a funding gap for the coverage of indoor residual spraying in the 2023-2025 allocation period, in addition to certain RSSH investment areas, including blood safety, community systems, community-based health insurance and human resources for health. The Secretariat highlighted that, while grant-making focused on finding efficiencies to maximize coverage within the allocation, there is a need to quickly mobilize resources to address these funding gaps in order to sustain the gains of the disease programs.
- The GAC acknowledged that Rwanda was designated the following matching funds: RSSH Digital Health Impact Accelerator. The TRP confirmed that access and programmatic conditions have been met for these matching funds and the Secretariat reaffirmed this during grant-making.
- **Complementarity with C19RM investments.** The GAC and Partners acknowledged the coordinated development of the C19RM investments alongside the 2023-2025 allocation period's funding request and grant-making process. Critical areas where synergies are most apparent include strengthening of surveillance systems, human resources for health and community system strengthening, as well as health products and waste management systems. The Secretariat highlighted the importance to address gaps in RSSH in the 2023-2025 allocation period to help sustain the remarkable gains of the Rwandan health sector over the last decade.

Azerbaijan HIV/AIDS, Tuberculosis: Ministry of Health of the Republic of Azerbaijan (AZE-C-MOH)

1.9 Co-financing

2020-2022 allocation period: Azerbaijan is conditionally compliant with co-financing requirements for the 2020-2022 allocation period, contingent on assessment of compliance with the disease-specific co-financing requirements is contingent on provision to the Global Fund of detailed documentation to substantiate the reported spending. The Secretariat is collaborating with the Ministry of Health and other stakeholders to establish the final baseline for 2023-2025 allocation period commitments.

2023-2025 allocation period: Azerbaijan is conditionally compliant with the forward-looking co-financing requirements contingent on the final assessment of compliance with the disease-specific requirement for the 2020-2022 allocation period. The Grant Confirmation includes a condition requiring the country to submit a finalized commitment letter signed by the Government of Azerbaijan within 6 months of the start of grant implementation.

Bhutan HIV/AIDS, Tuberculosis, Malaria: Ministry of Finance of the Royal Government of Bhutan (BTN-C-MOH, BTN-M-MOH)

1.10 Co-financing

2020-2022 allocation period: Bhutan is compliant with the first backward looking co-financing requirement, as government health expenditure increased from US\$60.7 million to US\$ 90.2 million between 2019 and 2022. In the 2020-2022 allocation period, 15% of Bhutan's allocation was provided as a co-financing incentive. The documentation submitted to substantiate co-financing realization in the 2020-2022 allocation period demonstrates that Bhutan has met the disease-specific requirement to invest at least US\$530,223 in disease programs and/or RSSH on top of the 2017-2019 allocation period baseline. However, assessment of compliance remains conditional pending provision to the Global Fund of the 2023-2025 allocation period commitment letter.

2023-2025 allocation period: Bhutan is conditionally compliant with the forward-looking co-financing requirements contingent on the final assessment of compliance with the backward-looking disease-specific requirement. The Grant Confirmation includes a provision requiring the country to submit a finalized commitment letter signed by the Ministry of Health and relevant authority in the Ministry of Finance within 6 months of the start of grant implementation.

The malaria grant represents a continuation of the payment for results modality introduced for Bhutan's malaria program in the 2020-2022 allocation period and approved by the Board through GF/B44/EDP23. Consistent with the approach taken in the grant ending on 30 June 2024, 65% of Bhutan's malaria allocation will be invested through the payment for results modality. The Ministry of Health of the Royal Government of Bhutan will act as a lead implementer of the grant. By focusing on outputs rather than inputs, this approach supports the goals and objectives of Bhutan's 2020-2025 Malaria National Strategic Plan, providing the necessary flexibility in adapting programmatic activities to the evolving constraints of the elimination phase. Additionally, by facilitating the country's transition to disease-specific expenditure tracking, the payment for results approach has had a positive impact on how co-financing is tracked and reported in Bhutan.

The Gambia Malaria: Ministry of Health of the Republic of The Gambia (GMB-M-MOH)

1.11 Co-financing

2020-2022 allocation period: The Gambia has partially met its co-financing commitments for the 2020-2022 allocation period, with an increase in government health expenditure from 8.1% of total government expenditure in the 2017-2019 allocation period to 8.6% in the 2020-2022 allocation period. The Secretariat granted the Gambia a partial waiver for its disease-specific co-financing commitments for the 2020-2022 allocation period, acknowledging methodological challenges and absence of supporting data to monitor commitments.

2023-2025 allocation period: The Gambia has submitted a signed commitment letter for the 2023-2025 allocation period indicating an increase of government health expenditures as a percentage of total government expenditures to 10% in the 2023-2025 allocation period. The Government has also committed to spend US\$2.2 million more than their US\$28.3 million minimum total co-financing requirement for RSSH, HIV, TB and malaria.

For the 2023-2025 allocation period, commitments are established against a new baseline, recognizing the methodological challenges in the 2020-2022 allocation period, focusing on clearly defined expenditures for HIV, TB, malaria, RSSH and primary health care. These will be monitored through routine budget and expenditure reports from the Gambia's integrated financial management system, officially approved by the Ministry of Finance and Economic Affairs of the Gambia.

Privileges and Immunities

- 1.1 Of the applicants for which funding recommendations are currently being made, Rwanda has signed and ratified the Global Fund Agreement on Privileges and Immunities.

Document Classification: Internal.

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Annex 1 – Relevant Past Decisions

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.

Relevant past Decision Point	Summary and Impact
GF/B38/EDP08: Decision on the Secretariat's Recommendation on Funding from the 2017-2019 Allocation	This decision point approved the National Strategy Financing model in the 2017-2019 allocation period for the Rwanda grants.
GF/B44/EDP23: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation	This decision point approved the PfR approach in the 2020-2022 allocation period for the Bhutan malaria grant BTN-M-MOH.

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/>)