

Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee GF/B51/ER08

Board Decision

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

1. GF/B51/EDP11: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation.¹
2. GF/B51/EDP12: Decision on the Secretariat's Recommendation on Additional Funding to Finance Unfunded Quality Demand from the 2023-2025 Allocation Period.²

Document Classification: Internal.

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¹ The Secretariat recommends the approval of funding from the 2023-2025 Allocation for nine grants: Armenia HIV/TB, El Salvador HIV, El Salvador HIV/TB, Guatemala Malaria, Mali Malaria, Pakistan HIV (two grants), Sri Lanka HIV and Sri Lanka TB, up to an amount of **US\$69,826,612** and **EUR 84,852,647** of country allocation funding, including matching funds of **US\$1,000,000** for Pakistan HIV.

² The Secretariat recommends the approval of **US\$19,000,000** and **EUR 8,257,634** of additional funding representing a private sector contribution to be integrated into the Ivory Coast Malaria, Niger HIV, Nigeria HIV, Nigeria RSSH and Zambia HIV/TB grants.

Decision

Decision Point: GF/B51/EDP11: 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/B51/ER08 ("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.

Decision Point: GF/B51/EDP12: Decision on the Secretariat's Recommendation on Additional Funding to Finance Unfunded Quality Demand from the 2023-2025 Allocation Period

The Board:

1. Approves the revised budget recommended for the grant listed in Table 2 of GF/B51/ER08 ("Table 2");
2. Affirms the additional funding approved under this decision (a) increases the upper-ceiling amount that may be available for the relevant implementation period of each country disease component's constituent grants, and (b) is subject to the availability of funding; and
3. 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 nine grants: Armenia HIV/TB, El Salvador HIV, El Salvador HIV/TB, Guatemala Malaria, Mali Malaria, Pakistan HIV (two grants), Sri Lanka HIV and Sri Lanka TB, up to an amount of **US\$69,826,612** and **EUR 84,852,647** of country allocation funding, including matching funds of **US\$1,000,000** for Pakistan HIV.

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 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](#).

Secretariat's Recommendation on Additional Funding

The Secretariat hereby recommends the approval of:

- **US\$27,204,306** of additional funding representing private sector contributions to be integrated into the 2023-2025 allocation period Ivory Coast Malaria, Niger HIV, Nigeria HIV, Nigeria RSSH and Zambia HIV/TB grants set out at Table 2.
- 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](#).

Grant Revisions Approved by the Secretariat

The Secretariat hereby notifies the Board that it has approved, pursuant to its delegated authority, the following extensions as set out at Table 3:

- six-month extension of the Burkina Faso HIV/TB grant with an incremental amount of EUR 583,114;
- six-month extension of the Burkina Faso HIV grant with an incremental amount of EUR 3,053,610;

- six-month extension of the Burkina Faso HIV grant funded through savings from the previously approved extension budget; and
- three-month extension of the Suriname HIV grant to be funded through the savings in the current grant.

Input Sought

The Board is requested to review the request and agree on a 'no objection' basis, the decision point GF/B51/EDP11: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation; and decision point GF/B51/EDP12: Decision on the Secretariat's Recommendation on Funding Unfunded Quality Demand from the 2023-2025 Allocation Period.

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 ³	Grant End Date	Currency	Total Program Budget	Catalytic Funds in Grant	Domestic Commitment ⁴	Unfunded Quality Demand (US\$)
1	Armenia	HIV/TB	ARM-C-MOH	31/12/2027	US\$	9,632,053		HIV: 6,498,564 TB: 12,288,965	4,705,283
2	El Salvador	HIV	SLV-H-PLAN	31/12/2027	US\$	10,067,870		HIV: 73,262,343 TB: 38,959,255	2,179,275
3	El Salvador	HIV/TB	SLV-C-MOH	31/12/2027	US\$	6,536,547			3,199,710
4	Guatemala	Malaria	GTM-M-MSPAS	31/12/2027	US\$	3,553,464		Malaria: 12,743,205	1,190,916
5	Mali	Malaria	MLI-M-CRS	31/12/2027	EUR	84,852,647		Total HIV, TB and malaria: 305,557,965	14,895,959
6	Pakistan	HIV	PAK-H-UNDP	31/12/2026	US\$	5,673,192		HIV: 7,833,708 TB: 40,972,234 Malaria: 14,672,663 RSSH: 10,888,509	29,401,691
7	Pakistan	HIV	PAK-H-NACP	31/12/2026	US\$	25,012,769	1,000,000		
8	Sri Lanka	Tuberculosis	LKA-T-MOH	31/12/2027	US\$	6,381,149		Pending finalization of commitment letter	960,185
9	Sri Lanka	HIV	LKA-H-MOH	31/12/2027	US\$	2,969,568			1,763,637

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. 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.

Table 2: Secretariat's Recommendation on Additional Funding to Finance UQD from the 2023-2025 Allocation Period

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	Previous Approved Grant Budget	Additional Funds	Revised Grant Budget for approval
1	Ivory Coast	Malaria	CIV-M-SCI	Incorporating private sector funding to strengthen sexual and reproductive health outcomes.	EUR	32,026,389	5,535,634	37,562,023
2	Niger	HIV	NER-H-MSP	Incorporating private sector funding to address several pressing challenges identified in the current health system's operation, focusing on community health workers.	EUR	30,135,943	2,722,000	32,857,943
3	Nigeria	HIV	NGA-H-NASCP	Incorporating private sector funding to strengthen sexual and reproductive health outcomes.	US\$	30,038,555	4,000,000	34,038,555
4	Nigeria	RSSH	NGA-S-NTBLCP	Incorporating private sector funding to strengthen sexual and reproductive health outcomes.	US\$	42,557,406	12,000,000	54,557,406
5	Zambia	HIV/TB	ZMB-C-MOH	Incorporating private sector funding to address several pressing challenges identified in the current health system's operation, focusing on community health workers.	US\$	202,055,427	3,000,000	205,055,427

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:

Armenia HIV/TB: Ministry of Health of the Republic of Armenia (ARM-C-MOH)

1.1 Co-financing

2020-2022 allocation period: During the 2020-2022 allocation period, the government spent an estimated US\$16.4 million on HIV and TB programs. While TB spending exceeded the minimum requirement by 4%, HIV estimated spending fell short by 6.7% (about US\$400,000) due to a potential discrepancy in the 2024 expenditure data, awaiting verification during the next reporting period. The Secretariat considers that the country has met its co-financing commitment for the 2020-2022 allocation period.

2023-2025 allocation period: Armenia is compliant with the co-financing requirements for the 2023-2025 allocation period. The country has submitted a commitment letter outlining the plans to allocate US\$18.9 million to HIV and TB programs, meeting the total minimum requirement for the allocation period. Additionally, the country has committed to covering differentiated HIV testing, treatment, care and prevention activities for key and vulnerable populations, as well as supporting the purchase of TB medicines and increasing the uptake of molecular tests.

El Salvador HIV and HIV/TB: Plan International, Inc. (SLV-H-PLAN), Ministry of Health of the Republic of El Salvador (SLV-C-MOH)

1.2 Co-financing

2020-2022 allocation period: El Salvador has met its first co-financing requirement by increasing its investment in health. Government spending on health has increased from 18.9% to 22.6% of total government expenditure from 2019 to 2023.

The Secretariat has updated El Salvador's HIV and TB-specific requirements due to methodological changes that exclude private, social security and non-public health institution resources, affecting the baselines for the period. Based on updated baselines, the country has met the second co-financing

requirement. During the 2020-2022 allocation period, the government increased expenditures on both HIV and TB. The country's investment of US\$69.8 million in HIV exceeds the country's commitment of US\$60.9 million, while the US\$35.3 million spent on TB surpasses the required US\$16.4 million.

The country has also achieved the uptake of key program costs, including 302% absorption of HIV and 317% absorption of TB key health products and recurrent costs.

2023-2025 allocation period: El Salvador is compliant with its co-financing requirements for the 2023-2025 allocation period. In the commitment letter, the country commits to maintaining the same proportion of health spending in its total government expenditure and allocating US\$73.3 million to HIV and US\$38.9 million to TB, along with specific programmatic commitments.

1.3 GAC review and recommendation

- The GAC acknowledged that the SLV-C-MOH grant operates under the results-based financing model. The country has been successfully implementing the model for the TB component since 2016, demonstrating significant programmatic results. Recognizing the robust national plans, the Principal Recipient's strong capacity and low grant management risk, the results-based financing model will be expanded to the HIV component in the 2023-2025 allocation period, focusing on linkage and retention to antiretroviral therapy (ART), pre-exposure prophylaxis (PrEP) coverage and TB screening in HIV patients.

Guatemala Malaria: Ministry of Health and Social Assistance of the Republic of Guatemala (GTM-M-MSPAS)

1.4 Background and context

Under the Global Fund's Eligibility Policy, Guatemala is no longer eligible for malaria funding as an upper-middle-income country with less than high disease burden. However, in recognition of the challenges posed by the COVID-19 pandemic, the Board approved an additional allocation of transition funding for the 2023-2025 allocation period for components that received transition funding in the 2020-2022 allocation to support the shift to full domestic financing of activities currently funded by the Global Fund.⁵

For this last malaria grant funded by the Global Fund, the country has developed a budgeted Transition Plan for 2025–2030, with clear objectives and multiple funding sources, including contributions from the Global Fund. The plan outlines the necessary activities to sustain malaria elimination efforts and prevent its reintroduction after the grant's implementation period end date.

The grant interventions aim to intensify malaria elimination efforts in areas with active transmission through innovative strategies and community engagement. The updated national targets include a 99% reduction in malaria cases by 2028 and the elimination of indigenous cases by 2030, aligning with the World Health Organization's (WHO) goals for malaria elimination. Despite a rise in malaria cases in 2023, there has been a 45% reduction compared to 2015 and further reductions in 2024, and the country is on track to meet WHO targets.

1.5 Co-financing

⁵ GF/B47/DP04: Approval of the Eligibility of the 2020-2022 Transition Funding Components for an Additional Allocation.

2020-2022 allocation period: Guatemala has met the co-financing requirements for the 2020-2022 allocation period. The country has spent US\$12.2 million on malaria, surpassing the required minimum of US\$10.6 million. Guatemala also invested US\$782,755 in key health products, thereby demonstrating compliance with the uptake of key program costs.

2023-2025 allocation period: Guatemala is compliant with its co-financing requirements for the 2023-2025 allocation period. In the commitment letter, the country plans to spend US\$12.7 million on malaria and makes programmatic commitments to increase the uptake of key programmatic costs as outlined in the Transition Plan.

Mali Malaria: Catholic Relief Services - United States Conference of Catholic Bishops (MLI-M-CRS)

1.6 Background and context

Mali is one of the ten countries with the highest malaria cases and deaths, accounting for 3.2% of global cases and 3.2% of global deaths in 2022. While the estimated incidence of malaria cases has decreased by 10% and the mortality rate by 16% between 2015 and 2022, the reported incidence among children under five and the reported mortality rates in all ages have increased between 2017 and 2022. According to the World Malaria Report 2023, between 2019 and 2022, there was a significant increase in estimated case numbers by 1.1 million, reaching 7,988,199 in 2022.

Malaria continues to be the leading cause of morbidity and mortality in Mali, accounting for 37% of outpatient consultations and 33% of deaths at health facilities in 2021. Quality of care remains an issue, demonstrated by a high proportion of severe malaria cases compared to other countries in Sub-Saharan Africa, with 30% of malaria cases versus less than 10% in other countries, mainly due to overdiagnosis and overreporting rather than a true reflection of severe malaria cases.

1.7 Risks and mitigation measures

Challenging operating environment. The Global Fund classifies Mali as a challenging operating environment with ongoing conflicts, precarious humanitarian conditions and limited access to conflict zones for service delivery. About 7.1 million people are estimated to be in immediate need of humanitarian assistance in 2024, with an increased number of internally displaced persons and returnees.

Although the Economic Community of West African States lifted economic sanctions in February 2024, the economic situation remains impacted by the political and security context, with a large part of the government spending going into security, limited fiscal space for health, and several bilateral donors having withdrawn their support from the country. Additionally, the country is dealing with an unprecedented electricity crisis and the impact of flooding and climate change, significantly affecting the malaria program. In 2024, Mali recorded one of the highest temperatures in Africa, reaching 48.5°C.

Implementation arrangements. In response to the challenging context, the Secretariat applies a tailored implementation approach involving a direct financing mechanism to Regional Health Directorates and service provider contracts with humanitarian non-governmental organizations operating in the North and Center areas to deliver integrated prevention and care packages and essential healthcare support to hard-to-reach and vulnerable populations.

1.8 Co-financing

Mali submitted a signed commitment letter on 27 October 2023 committing to a total co-financing of EUR 306 million from 2024 to 2026, including (i) EUR 252 million for primary health care and disease control, (ii) EUR 45.3 million for health product availability and financial access to healthcare and participation and (iii) EUR 8.3 million for the multisectoral AIDS control program. Please refer to GF/B50/EDP05 for further details.

The Secretariat has also acknowledged the potential risks of Mali not meeting co-financing commitments due to the country's current context. The Secretariat will collaborate with partners to address any potential gaps that may arise due to non-compliance.

1.9 GAC review and recommendation

- The GAC and partners commended the Secretariat for effectively managing grant-making negotiations in a challenging context and for its efforts to maximize the impact of investments, reprioritize and make trade-off decisions to focus on core program essentials while also planning to scale up efficient technologies, including dual active ingredient and piperonyl butoxide (PBO) insecticide-treated nets (ITNs), as well as community-based intermittent preventive treatment in pregnancy (IPTp). The GAC and partners also underlined the strong partnership with in-country partners to align on priorities and areas for investment.
- The GAC and partners recognized recent progress in expanding malaria services, including increased coverage of consultations and testing for pregnant women and children under five in the community, distribution of almost 11 million ITNs in the southern regions, annual seasonal malaria chemoprevention campaigns and ongoing mass distribution of ITNs in conflict-prone areas.
- The GAC and partners acknowledged the increased ITN distribution to vulnerable populations compared to the 2020-2022 allocation period, including routine ITN distribution for internally displaced persons and orphans in Bamako. However, the GAC and partners expressed concerns about the remaining gap of 1.3 million nets, including a 4% gap in the security stock for 53 districts and the total need of nets in eight low transmission districts, despite having covered operational costs. They emphasized the need for increased advocacy and efforts to secure funding to cover these remaining critical gaps. The Secretariat will regularly monitor grant performance during implementation to reprogram savings and efficiencies to the extent possible.
- The GAC and partners noted that while malaria case management remains free for pregnant women and children under the age of five, the general population covers treatment costs through out-of-pocket payments, which limits their access to essential services. It was emphasized that there is a need for the partnership to advocate for enhanced access to treatment for the general population.

Complementarity with C19RM Investments: C19RM funding is integrated into the RSSH grant and will complement investments under the malaria grant in lab systems strengthening, risk communication and health product and waste management systems.

Pakistan HIV: United Nations Development Programme (PAK-H-UNDP), National AIDS Control Programme (PAK-H-NACP)

1.10 Background and context

In recent years, Pakistan has experienced a significant increase in HIV incidence. The number of HIV infections has risen 3.5 times from 2010 to 2022, reaching an estimated total of 290,000 people living with HIV in 2023. However, only 66,000 of them are aware of their HIV status, with approximately 45,000 receiving ART. Among those on ART, 76% have achieved viral suppression. Geographically, Punjab and Sindh provinces account for approximately 93% of the total HIV burden. Due to persistent gaps in the response, such as low testing, low ART coverage and high loss to follow-up, the country's estimated mortality increased by 496% between 2010 and 2022.

The HIV epidemic is concentrated in key populations. People who inject drugs are the most affected, with a prevalence of 38.4% and significant loss to follow-up, followed by transgender individuals (7.1%), men who have sex with men (5.2%), and male (5.1%) and female (2.2%) sex workers. In 2023, 48.3% of sex workers, 53.3% of men having sex with men and 39.3% of people who inject drugs were tested and knew their status.

Although HIV prevalence has remained below 0.1% among the general population, sporadic HIV outbreaks have occurred in recent years in Larkana due to inadequate infection control practices and unsafe procedures in healthcare facilities.

1.11 Risks and mitigation measures

Challenging Operating Environment. The Global Fund classifies Pakistan as a challenging operating environment, with a volatile political and economic situation, insecurity and a fragmented health system with governance issues.

1.12 Co-financing

2020-2022 allocation period: Pakistan has not met the co-financing requirements for the 2020-2022 allocation period due to the economic crisis, data quality challenges in the preceding allocation period and updates to the assessment methodology by the Secretariat. The Secretariat has waived the 2020-2022 allocation period co-financing requirements for HIV, TB and malaria.

2023-2025 allocation period: The country has committed to increase government health spending by 73%, from US\$11.9 million in the 2020-2023 allocation period to US\$20.5 million during the 2023-2025 allocation period. This will increase the share of total government spending from 1.1% in 2023 to 1.2% in 2026.

The country commits to spending US\$74.4 million on HIV, TB, malaria and RSSH, meeting the minimum requirement for the second co-financing requirement. The country will provide regular updates on these commitments, enabling the Secretariat to closely monitor their implementation.

1.13 GAC review and recommendation

- The GAC and partners commended the program design for its strategic focus on maximizing the impact of the key population prevention component. Specifically, the program plans to extend community-based PrEP and opioid agonist therapy, increase ART service accessibility and differentiated service delivery in Punjab, which carries 80% of the estimated HIV burden.
- While acknowledging the Secretariat's and Principal Recipient's efforts in partnering with provinces to expand the network of ART centers to improve treatment services and strengthen community-based organizations, the GAC and partners expressed concerns regarding barriers to access treatment, particularly in light of the low antiretroviral (ARV) coverage of 14%. The Secretariat noted that they will closely monitor the operationalization of access to treatment to improve ARV coverage during implementation.
- The GAC and partners noted that fragmentation and inadequate oversight at the federal and provincial levels impede the effective implementation of the HIV response within the country. The Secretariat highlighted that the grant will prioritize harmonizing the HIV surveillance system and, namely, focus on ensuring interoperability between the national and Punjab HIV information systems.
- The GAC and partners noted that the HIV program has established tailored implementation arrangements to enhance operational effectiveness, building on lessons learned from previous cycles and with a view of gradual capacity building and sustainability planning. The National AIDS Control Programme (NACP) is the Principal Recipient for the treatment component. Nai Zindagi (NZN), a civil society organization that was a Principal Recipient in the 2020-2022 allocation period, has become a co-Principal Recipient under the United Nations Development Programme (UNDP) grant for the prevention component. These new arrangements will allow Pakistan to have one consolidated prevention grant with enhanced coordination. The UNDP grant will focus on capacity building for NZN to reach key populations, with UNDP managing the procurement of most key health products and undertaking procurement of some high-value/high-risk local health and non-health products. UNDP will enhance the grant

implementation through its robust fiduciary system and support strengthening the procurement and supply management capacity of NACP and NZT. The Secretariat has implemented measures to address capacity gaps and will monitor the implementation arrangements during grant implementation to address any arising risks.

- While the GAC supported the new implementation arrangements, it recognized the trade-offs in coverage for treatment and prevention indicators resulting from the complex negotiations. The Secretariat will continue to work with provinces and partners to advocate for increased domestic funding and will prioritize covering these gaps should savings and efficiencies become available during grant implementation.
- The GAC acknowledged that the PAK-H-UNDP grant incorporates the following matching funds: “HIV: prevention for key populations.” The Secretariat confirmed that access and programmatic conditions were met for the matching funds.

Complementarity with C19RM Investments: The Secretariat highlighted the complementarity in surveillance strengthening and infection prevention and control (IPC) interventions. There are collaborative efforts with the government and various in-country stakeholders to improve IPC governance and operational capacity.

Sri Lanka HIV and Tuberculosis: Ministry of Health of the Democratic Socialist Republic of Sri Lanka (LKA-H-MOH and LKA-T-MOH)

1.14 Co-financing

2020-2022 allocation period: In May 2022, Sri Lanka’s economic crisis worsened when the country defaulted on external debt, triggering its most severe financial collapse since 1948. The economy shrank by 7.8%, contracting the already limited fiscal space and impacting the government’s ability to provide essential services. Government health spending decreased from US\$1.8 billion in 2021 to US\$0.8 billion in 2022 before rising to US\$1.6 billion in 2024. Thus, the country has not met the first co-financing requirement.

Based on the available data, the country has not met the second co-financing requirement. Spending on HIV has decreased to US\$12.1 million, representing a 25% decrease from the previous allocation period. Additionally, spending on TB has reduced to US\$7.8 million, which is 4% below spending in the 2020-2022 allocation period.

In light of the country’s economic crisis, the Secretariat has waived the 2020-2022 allocation period co-financing requirements for HIV and TB.

2023-2025 allocation period: The country has conditionally met its co-financing requirements for the 2023-2025 allocation period, subject to receipt of the final, signed commitment letter.

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

In this report, the Secretariat recommends to the Board additional funding revisions, funded through a private sector contribution, for the following grants:

Ivory Coast Malaria: Save the Children Federation, Inc. (CIV-M-SCI)

The revision incorporates private sector funding aiming to strengthen community health response and the community health workers (CHW) program in 53 Global Fund-supported health districts. This shall contribute to national efforts in reducing malaria-related morbidity and mortality in children under five and enable the Principal Recipient to integrate the national minimum package of services, including sexual and reproductive health, provided at the community level and support implementation.

The additional funding will be invested into strengthening CHW service provision and supervision, providing training and equipment for national CHW supervision and supporting the promotion of antenatal care by expanding training for community women's groups to identify and refer women to integrated services.

These activities complement interventions funded by the matching funds for Community Systems and Responses (CS&R) already incorporated into the grant, thereby contributing to improved health outcomes and equitable access to integrated people-centered quality services.

Niger HIV: Ministry of Public Health, Population and Social Affairs (NER-H-MSP)

The National Strategic Plan for Community Health (2019-2023) has adopted a community-based approach to bring essential health services closer to the most vulnerable populations, especially women and children under five. Despite achievements in delivering standardized, integrated primary service packages through CHW, the current health system faces challenges, including weaknesses in the referral and counter-referral systems, gaps in the quality of CHW supervision, limited community mobilization and the absence of formal career paths for CHW.

The proposed activities under the additional funding include formalizing CHW roles, strengthening the referral system and enhancing CHW supervision through the use of digital tools and improved transport options, and expanding community mobilization through the Husbands School (Écoles des Maris) initiative. These efforts aim to increase the uptake of health services and improve overall health outcomes.

Nigeria HIV and RSSH: National AIDS and STI Control Programme (NGA-H-NASCP), National Tuberculosis and Leprosy Control Programme (NGA-S-NTBLCP)

In Nigeria, the challenges in providing sexual reproductive health services, fragmented service delivery and system-building approaches contribute to high maternal and child mortality rates. The under-five and maternal mortality ratios are 1.5 and twice as high as the Sub-Saharan African average and three and 4.7 times higher than the global average.

The additional private sector funding will be invested in addressing pressing sexual and reproductive health related challenges to improve the health data system, enhancing the quality and access to comprehensive sexual and reproductive health services. This will involve developing a framework for integrated sexual and reproductive health services, enhancing healthcare workforce capacity, delivering essential services to vulnerable populations and strengthening community engagement. In addition, the funding will support the Government's vision towards digital health in key areas, including assessing

existing data management processes, developing a national digital health framework, piloting and reviewing systems and deploying updated systems.

Zambia HIV/TB: Ministry of Health of the Republic of Zambia (ZMB-C-MOH)

The additional funding from the private donor aims to build the capacity of 11,600 polyvalent community-based volunteers (CBV) to enhance the quality of services and supervision through empowering CBV with digitalized packages, equipment and a mentorship program through the University Teaching Hospital.

The investment aligns with the National Community Health System Strategy and policy objectives, extending primary healthcare services to 2.2 million people. The impact will be systematically monitored through increased reporting coverage by the community-based volunteers on primary health care indicators via the Health Management Information System.

However, challenges persist, including limited human resources for supervision and mentorship, last-mile commodity distribution and connectivity issues, which will be addressed through various program mitigation measures and collaboration with partners.

Additional Information

Table 3: Grant Extensions Approved by the Secretariat

N	Applicant	Disease Component	Grant Name ⁶	Currency	Budget for Proposed Extension Period	Additional Funding Required	Previous Extensions Granted (Cumulative in Months)	Proposed Extension Duration (Months)	Proposed End Date	Rationale
1	Burkina Faso	HIV/TB	BFA-C-IPC	EUR	729,635	583,114	0	6	30/06/2024	The extensions of the grants aim to avoid disruption of essential services, pending finalization of the 2023-2025 allocation period grant negotiations.
2	Burkina Faso	HIV	BFA-H-SPCNLS	EUR	5,913,877	3,053,610	0	6	30/06/2024	
3	Burkina Faso	HIV	BFA-H-SPCNLS	EUR	-2,442	0	6	6	31/12/2024	A 6-month supplementary extension period has been approved. The proposed extension aims to ensure the continuation of essential services, pending finalization of the 2023-2025 allocation period grant negotiations. The budget for the extension period from 1 July to 31 December 2024 is EUR 1,162,362. Funds previously approved for the initial 6-month extension will be used to fund the supplementary extension period and the total budget for the overall extension period of the grant is EUR 5,911,435.

⁶ The Grant names are subject to change based on the ISO code.

4	Suriname	HIV	SUR-H-MOH	US\$	48,533	0	0	3	31/03/2025	This proposed extension is to allow for continued implementation, avoiding programmatic disruptions while completing the 2023-2025 allocation period grant negotiations for HIV and addressing Principal Recipient's operational challenges.
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Privileges and Immunities

Of the applicants for which funding recommendations are currently being made, Ivory Coast and Niger have signed and ratified the Global Fund Agreement on Privileges and Immunities.

Document Classification: Internal.

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

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Annex 1 – Relevant Past Decisions

Pursuant to the Governance Plan for Impact as approved at the Thirty-Second Board Meeting,⁷ 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/B44/EDP10: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation	This decision point approved the allocation funding for the Burkina Faso HIV (BFA-H-SPCNLS) and HIV/TB (BFA-C-IPC) grants
GF/B50/EDP03: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation	This decision point approved the allocation funding for the Ivory Coast Malaria (CIV-M-SCI) grant
GF/B49/EDP12: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation	This decision point approved the allocation funding for the Niger HIV (NER-H-MSP) grant
GF/B50/EDP01: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation	This decision point approved the allocation funding for the Nigeria HIV (NGA-H-NASCP) grant
GF/B49/EDP08: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation	This decision point approved the allocation funding for the Nigeria RSSH (NGA-S-NTBLCP) grant
GF/B46/EDP01: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation	This decision point approved the allocation funding for the Suriname (SUR-H-MOH) grant
GF/B50/EDP05: Decision on the Secretariat's Recommendation on Funding from the 2023-2025 Allocation	This decision point approved the allocation funding for the Mali TB/HIV (MLI-C-ARC and MLI-C-PLAN) and RSSH (MLI-S-MOH), and Zambia HIV/TB (ZMB-C-MOH) grants
GF/B47/DP04: Approval of the Eligibility of the 2020-2022 Transition Funding Components for an Additional Allocation	This decision point approved the eligibility of the six Transition Funding components from the 2020-2022 allocation period, including Armenia HIV and Guatemala Malaria, for an additional allocation of Transition Funding for the 2023-2025 allocation period

⁷ 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/>)