
Electronic Report to the Board

Report of the Secretariat's Grant Approvals Committee

GF/B44/ER16

Board Decision

Purpose of the paper:

This document proposes the decision points as follows:

1. GF/B44/EDP23: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation¹

Document Classification: Internal.

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

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¹ The Secretariat recommends the approval of funding from the 2020-2022 Allocation for 3 grants: Bhutan Malaria, Rwanda HIV/TB and Rwanda Malaria, up to an amount of **US\$193,535,705**, including matching funds of US\$2,000,000 for Rwanda HIV/TB.

Decision

Decision Point: GF/B44/EDP23: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation

The Board:

- 1. Approves the funding recommended for each country disease component, and its constituent grants, as listed in Table 1 of GF/B44/ER15 ("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 2020-2022 Allocation

- The Secretariat recommends the approval of funding from the 2020-2022 Allocation for three grants: Bhutan Malaria, Rwanda HIV/TB and Rwanda Malaria, up to an amount of **US\$193,535,705**, 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/B44/EDP21: Decision on the Secretariat's Recommendation on Funding from the 2020-2022 Allocation.

Table 1: Secretariat’s Recommendation on Funding from the 2020-2022 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 ³	Catalytic Funds in Grant	Domestic Commitment ⁴	Unfunded Quality Demand
1	Bhutan	Malaria	BTN-M-MOH	30-06-24	US\$	1,374,353	-	5,212,063	575,702
2	Rwanda	HIV/TB	RWA-C-MOH	30-06-24	US\$	139,456,082	2,000,000	76,897,692	69,020,329
3		Malaria	RWA-M-MOH	30-06-24	US\$	52,705,270	-	85,747,135	18,914,715

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

³ The Program budget for the Grant may be higher than the Program budget being recommended to the Board for approval where Covid-19 Response Mechanism funding has been integrated into the Grant.

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.

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

Unless otherwise specified below, each applicant has met the co-financing requirements for the 2017-2019 allocation period and has made sufficient co-financing commitments for the 2020-2022 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 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, 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:

Bhutan Malaria: Ministry of Health of the Royal Government of Bhutan (BTN-M-MOH)

1.1 Background and context

Bhutan has made commendable progress in many health indicators due to consistent investment in public health. Bhutan is on track to achieve its goals of zero incidence of indigenous malaria by 2022 and WHO certification of malaria elimination by 2025. Caseloads were reduced by 99 percent between 2000 and 2020 and, in 2018, only 54 malaria cases were reported of which, only six were indigenous with one death. In 2019, a total of 42 malaria cases were recorded with two indigenous cases and no deaths. In 2020, the country reported 22 indigenous malaria cases (due to an outbreak in July/August) from the total of 54 malaria cases and no deaths.

Imported cases from cross-border north eastern states of India remain the key challenge for the program.

1.2 Risks and mitigation measures

COVID-19. Bhutan's government has been successful in tackling the COVID-19 pandemic with quick and stringent measures. International tourism in Bhutan was suspended in early March 2020 until further notice. With tourism being the second biggest sector of Bhutan's economy after the hydropower industry, the impact of tourism suspension on the nation's economy is projected to be significant. To mitigate the adverse impacts, the Government is implementing an economic contingency plan through a comprehensive and integrated social, fiscal, monetary and programmatic approach to mitigate the shocks to the economy and protect public health, with substantive support from development partners. As of 24 March 2021, Bhutan has reported 869 COVID-19 cases and only one death, with no active cases as of the publication of this report. Bhutan was awarded US\$883,422 through the Global Fund's COVID-19 Response Mechanism for COVID-19 tests, lab reagents and consumables for testing, and personal protective equipment for health workers in order to support both the response to COVID-19 as well as to mitigate the potential impact on the disease programs.

Payment for results. Given the need for efficient use of resources considering the modest portfolio size and epidemiological context of Bhutan, the most efficient and strategic way to structure the Global Fund investment is to support Bhutan's 2020-2025 national strategic plan for malaria elimination and prevention of reintroduction through a payment for results modality.

By focusing on outputs rather than inputs, this approach will allow for the necessary flexibility in adapting programmatic activities to the evolving constraints of the elimination phase. Thus, the performance framework will include only one workplan tracking measure and will be based on an average of nine key indicators weighted equally. These indicators are aligned with WHO's recommendations and framework for malaria elimination, to be measured as an average for year 1 and 3 for the first eight indicators, while the performance for year 2 will be based on the average performance of all nine indicators, taking into account a knowledge, attitude and practices survey which will be conducted in year 2. The indicators considered for assessing progress towards elimination are as follows:

1. Annual blood examination rate of 20 percent disaggregated by district and focus as well as by rapid diagnostic test and microscopy;
2. Percentage of microscopy results cross-checked by the national reference laboratory, with 100 percent of positive results and 10 percent of negative results;
3. Percentage of health facilities and private diagnostic centers reporting through District Health Information Software 2 with the numbers of patients tested for malaria and the number of positive results at 100 percent;
4. Percentage of cases notified within 24 hours of detection at 100 percent;
5. Percentage of cases with completed case investigation forms submitted within the stipulated timeline of 72 hours at 100 percent;
6. Percentage of foci for which completed investigation forms are submitted within the stipulated timeline of seven days at 100 percent;
7. Percentage of patients with confirmed malaria who received first-line anti-malarial treatment according to national policy at 100 percent;
8. Percentage of population living in receptive areas (including active and non-residual active foci) covered by long-lasting insecticidal nets and or focal on indoor residual spraying by year at 100 percent; and
9. Proportion of population that slept under an insecticide-treated net the previous night at 80 percent.

Given the differentiated approach being proposed, the Grant Confirmation for the BTN-M-MOH grant will only be sent for signature if the Board approves the grant.

Rwanda HIV/TB: Ministry of Health of the Republic of Rwanda (RWA-C-MOH)

1.3 Background and context

Rwanda's HIV epidemic is concentrated in key populations of men who have sex with men and female sex workers. As of 2020, Rwanda achieved 89-97-91 towards the UNAIDS 90-90-90 global treatment targets and 201,629 people living with HIV were on antiretroviral treatment, representing 87 percent coverage. An Integrated Biobehavioral Survey (IBBS) for female sex workers in 2019 showed that 35.5 percent were living with HIV, 82 percent used a condom and 55 percent used condoms consistently. According to a 2020 IBBS in the capital city of Kigali, 7 percent of men who have sex with men are living with HIV, 54 percent used condoms and 7 percent used lubricants. Treatment coverage for TB was 80 percent in 2019 with 5,892 TB cases notified and 100 patients started on rifampicin- or multi-drug resistant TB treatment. Treatment success was 86 percent of new and relapse TB cases and 78 percent among people living with HIV in 2018 and 81 percent for rifampicin- or multi-drug resistant TB in 2017. The goals of the proposed HIV/TB program include:

- Decreasing AIDS-related deaths per 100,000 population from 21.6 in 2020 to 18.7 in 2024;
- Decreasing the national percentage of men who have sex with men who have HIV from 9.2 percent in 2018 to 9 percent in 2024;
- Decreasing the national percentage of female sex workers with HIV from 35.5 percent in 2019 to 30 percent in 2023; and
- Reducing TB incidence rate between 2015 and 2024 from 57 per 100,000 population to 39.7.

1.4 Cross-cutting risks and mitigation measures for Rwanda HIV/TB and malaria

COVID-19. Rwanda's economy is likely to be hit hard with long-lasting implications for growth and poverty reduction because of a reduction in fiscal space and increased budgetary demands linked to the national COVID-19 response. By 10 March 2021, the cumulative total of COVID-19 cases in Rwanda had reached 20,896, with a total of 292 COVID-19 related deaths. Peaks have been experienced in April, August and December 2020 and January 2021 resulting in lockdowns. Most recently, cases have been concentrated in urban areas, particularly in Kigali. The national HIV, TB and malaria programs have recorded limited disruptions due to advance contingency planning by the Government of Rwanda and partners, in part derived from the country's recent experiences with planning for Ebola prevention and control. The Global Fund is contributing US\$16.9 million to Rwanda's COVID-19 response in alignment with Rwanda's national COVID-19 response strategy, including US\$5.5 million in reprogrammed funds from the 2017-2019 HIV grant and US\$11.4 million through the COVID-19 Response Mechanism, to be fully utilized by 30 June 2021.

National Strategy Financing (NSF) Model. The NSF model was established to mitigate reductions in donor contributions, allocating funding as targeted budgetary support grants to support the national strategic plans' operational plans and budgets with annual funding decisions based on performance against a set of key indicators. The NSF model was successfully used in the 2017-2019 allocation period following its initiation in 2013 through an HIV pilot grant and roll-out to TB and malaria in 2015.

1.5 GAC review and recommendation

- The GAC and Partners expressed support for the NSF model, noting that it builds on the strong partnership between community and government actors to sustain achievements to date in Rwanda across the HIV cascade. GAC Partners commended the efforts to create a timely and well-shaped grant that aligns investments across stakeholders. GAC Partners also called attention to the efforts to integrate HIV services with broader health programs as well as innovative practices to scale-up differentiated service delivery.
- GAC Partners echoed support for the TRP's comments on the granularity of data, which the Secretariat noted is a topic of discussion with the government and health development partners with plans for disaggregation being devised to improve targeting of interventions.
- GAC Partners highlighted the need to prioritize targeting services at geographic and transmission hot spots and addressing access issues for key populations, while noting that the plans for community engagement will contribute to the design and scale-up of quality services to address these issues.
- GAC Partners commented on the fiscal constraints faced by Rwanda that require continued attention to support improved affordability and efficiency of services, calling for single health system diagnostic of coverage and implementation barriers.
- GAC Partners requested further information on the World Bank's support for the reform of the community-based health insurance scheme. The Secretariat shared that the World Bank will be providing both technical and financial support to the scheme through its new Human Capital for Inclusive Growth Development Policy Financing Instrument for Rwanda.
- GAC Partners applauded Rwanda's plans to strengthen and expand chest x-ray capacity, including use of artificial intelligence for automated reading of x-rays that will benefit TB, COVID-19 and other respiratory diseases.
- GAC Partners noted the opportunity to prioritize additional resources that become available in TB drug sensitivity testing, the practical approach to lung health, and the sustainability of human resource funding for community health workers. The Secretariat agreed to consider these areas, while noting that the 58,000 community health workers are engaged under a cooperative-based approach that has repercussions across sectors beyond health.

Rwanda Malaria: Ministry of Health of the Republic of Rwanda (RWA-M-MOH)

1.6 Background and context

Following an upsurge in cases, Rwanda reduced malaria incidence per 1,000 population from 401 in 2018 to 200 in 2020, as well as a 60 percent reduction in severe malaria cases. All 30 districts in the country were covered through a long-lasting insecticidal net campaign supported by the 2017-2019 Global Fund grant with a total of 5.2 million nets distributed, including 1.2 million new dual insecticide nets. Expanded indoor residual spraying covered a total of 10 high endemic districts through Global Fund support as well as domestic financing from the Government of Rwanda and additional support from The President's Malaria Initiative (PMI). Home based management of malaria has also expanded to cover adults in all 30 districts of Rwanda. The goal of the proposed malaria program in Rwanda is to reduce malaria morbidity and mortality by at least 50 percent between 2019 and 2024. Specific targets include to:

- Reduce confirmed malaria deaths from 264 in 2019 to 132 in 2023;
- Increase the proportion of the population that slept under an insecticide-treated net the previous night from 63.9 percent in 2017 to 85 percent in 2024; and
- Decrease the number of confirmed malaria cases via microscopy or rapid diagnostic test per 1,000 population from 320 in 2019 to 127 in 2024.

1.7 Risks and mitigation measures

Cross-cutting risk and mitigation measures for the Rwanda portfolio are described under paragraph 1.4 above.

1.8 GAC review and recommendation

- The GAC and Partners noted the excellent work across stakeholders in preparing this grant and requested information on any gaps in vector control, highlighting the opportunity presented by the upcoming Commonwealth Heads of Government Meeting to mobilize any additional resources needed. The Secretariat highlighted programmatic gaps including indoor residual spraying of US\$7.6 million covering five districts in year 3 as well as long-lasting insecticidal nets of US\$5.7 million for continuous distribution through antenatal care and expanded program on immunization. The Secretariat also assured Partners that alignment discussions between the Ministry of Health and health development partners on mobilizing funding to cover these gaps would take place in a timely way.
- GAC Partners commented on the potential challenges faced by the national disease responses in the fiscal context of COVID-19, requesting information on how funds through the Global Fund's COVID-19 Response Mechanism be prioritized. The Secretariat shared that meetings between the Government of Rwanda and health development partners had recently taken place. Given Rwanda's successful reinforcement of decentralized systems and gap filling with the COVID-19 response funding from all donors, greater accessibility to populations would be ensured. The Secretariat added the identification of potential investments will be based upon the outcomes of the continued engagement with the Ministry of Health and the priorities and articulation of funding streams outlined in the revised national COVID-19 response plan, noting efforts led by WHO, USAID and World Bank to structure reporting and monitoring of funding.

Privileges and Immunities

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

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