



Independent observer
of the Global Fund

Global Fund Board approves funding for two country grants, a multi-country grant and 10 matching funds requests

On 21 March 2018, the Global Fund Board approved two country grants worth \$34.5 million and one regional grant in which the Fund is investing \$6.0 million. The Board also approved \$40.6 million in matching funds requests for 10 components from four countries. Finally, the Board approved an additional \$4.0 million for an HIV grant in Kenya for which funding had already been approved. The new money comes from a private sector contribution.

This was the eighth batch of approvals from the 2017–2019 allocations. The Board was acting on the recommendations of the Technical Review Panel (TRP) and the Grant Approvals Committee (GAC). Interventions totaling \$13.2 million were added to the Unfunded Quality Demand (UQD) Register. Domestic commitments to the programs represented by the approved grants amounted to \$70.6 million.

See Tables 1 and 2 for details.

Table 1: Grants approved from the 2017-2019 allocations — Eighth batch (\$)

Applicant	Comp.	Grant name	Principal recipient	Amount approved	U
Republic of Congo	Malaria	COG-M-CRS	Catholic Relief Services	15,661,593	6
	TB/HIV	COG-C-CRF	Croix-Rouge Française	18,866,658	4
RMEI	Malaria	QRA-M-IDB	IDB	6,000,000	2
Totals				40,528,251	1

Notes:

1. Amounts approved shown are upper ceilings.
2. The domestic commitments shown are for the disease programs and exclude RSSH.
3. The amount approved for the Regional Malaria Elimination Initiative (RMEI) grant represents only the Global Fund's investment. (See below.)
4. For the RMEI grant, in addition to the domestic commitments shown in the table, other investments were leveraged.
5. For grants denominated in euros, a conversion rate of 1 euro = 1.237 US dollars was used.

As is customary, the approved funding is subject to availability of funding and will be committed in annual tranches.

Table 2: Matching funds awarded

Applicant	Comp.	Grant name	Principal recipient	Amount approved (\$)
Benin	HIV	BEN-H-PlanBen	Plan Benin	1,085,009
		BEN-H-PSLS	Prog. Nat. Lutte Sida	2,128,896
		TB/HIV	Stichting Cordaid	9,370,511
Congo DR	HIV	COD-C-CORDAID	Ministry of Health	1,136,085
		TB	Ministry of Health	2,493,079
		TB/HIV	The AIDS Support Org.	6,758,539
Uganda	HIV	UGA-C-TASO	Ministry of Finance	2,641,461
		UGA-H-MoFPED	Alliance for Public Health	9,304,893
		UKR-C-AUA	All-Ukrainian Network of PLWH	2,636,605
Ukraine	TB/HIV	UKR-C-AUN	PHC, Ministry of Health	3,029,468
		UKR-C-PHC		
Totals				40,584,546

Note: For grants denominated in euros, a conversion rate of 1 euro = 1.237 US dollars was used.

More to come

There were just over 200 country grants approved in the first eight batches. Three windows were planned for 2018. Window 4 was scheduled for 7 February 2018, with the TRP reviews slated for 19–29 March. The other two 2018 windows are as follows:

Window 5 — 30 April (TRP review: 3-11 June)

Window 6 — 6 August (TRP review: 9-21 September)

Window 4 produced 26 funding requests. The Secretariat anticipates receiving 47 requests in Window 5 and 24 in Window 6. Many of the requests will be from multi-country applicants.

It will be a few months before any grants from Window 4 funding requests are approved for funding. The two country grants in this eighth batch were from funding requests submitted in Window 2 (23 May 2017). We should expect to continue to see a trickle of grant approvals from requests submitted in the early windows.

Comments on individual funding requests

The GAC report provided comments on (a) the TB/HIV and malaria funding requests from the Republic of Congo; and (b) the RMEI request, which is a multi-country initiative. All three requests are interesting, but for different reasons.

Republic of Congo TB/HIV

According to the GAC, the Republic of Congo submitted a joint TB/HIV funding request in May 2017 focusing Global Fund investments on: (a) continued universal coverage of pediatric antiretroviral (ARV) drugs; (b) adult ARVs covering 50% of the overall need in Year 1, with progressive reduction to funding 13% of the need in Year 3; and (c) ARVs for prevention of mother to child transmission (PMTCT) for all three years at 60% of the overall need. The principal recipient (PR) is La Croix-Rouge Française (CRF).

When the GAC reviewed the TB/HIV funding request, a lot of concerns were expressed about whether Congo would deliver on its co-financing commitments. The Secretariat said that, historically, Congo has not met its co-financing requirements, including for the 2014–2016 allocation period.

During that period, Congo faced an emergency ARV situation, in part because government co-financing for the procurement of adult ARVs and first line anti-TB drugs did not materialize. To mitigate against the risk of an HIV and TB treatment disruption, the Secretariat granted a waiver of the co-financing requirement for 2014–2016, and facilitated the reprogramming of funding for an emergency procurement of ARVs and first line anti-TB drugs. The Secretariat also facilitated the contribution of ARVs at risk of expiry from Sierra Leone and the Democratic Republic of Congo (DRC).

For the 2017–2019 allocation period, indicative co-financing commitments were formally provided by the ministries of Health and Finance. However, the GAC stated that there is a high risk of the commitments not being realized. The risk is exacerbated, the GAC said, by an economic and fiscal crisis: “The Republic of Congo’s economy continues to suffer from the effects of low oil prices, unsustainable debt and significant governance weaknesses.”

The Secretariat undertook to work with stakeholders to mitigate the co-financing risks. The steps it will take include (a) working with the World Bank and International Monetary Fund (IMF) to ensure investments in HIV, TB and malaria are considered priority for the social sector; and (b) following up with World Bank to leverage complementarities of the Health System Strengthening for Better Maternal and Child Health Results Project, which focuses on reproductive, maternal, new-born, child and adolescent health. The Secretariat also undertook to work with the Government of the Republic of Congo to implement several measures to improve the tracking of health expenditures.

Nevertheless, the GAC remained concerned that a failure on the part of the government to meet its co-financing commitments could lead to critical gaps in key services. The GAC was also concerned that treatments might be being shared among patients, a situation that could contribute to resistance to ARV first-line drugs.

The GAC said that it “used a pragmatic, strategic and public health lens to recommend a refocused scope for the TB/HIV grant” in order to: (a) ensure sustained access to quality treatment for 95% of the existing ARV patient cohort; (b) mitigate the risk of treatment disruption, sharing of drugs and HIV drug resistance;

and (c) prevent the repeated, long-lasting stock-outs that undermined the HIV and TB programs over the past three years.

As a result, the HIV component of the grant will target seven high-population departments (out of 12 nationwide), representing 95% of the existing adult patient cohort. The grant will aim to provide: (a) a continuous supply of ARVs to 21,895 adults and 1,942 children enrolled on ARVs as of June 2017; (b) viral load tests to 13,237 ARV patients per year; and (c) early infant diagnosis to all infants born to HIV+ positive mothers who became pregnant while already on treatment in the existing cohort and who therefore knew their HIV status before pregnancy. Infants who are diagnosed positive will be enrolled on treatment.

The GAC also noted that there is an “active file audit” currently underway to determine the actual number of patients who are currently on treatment. If the results are significantly higher than the current estimated number of cohort patients, this could potentially result in a shortage of available treatment, which would require a review of the grant.

The TB component will focus on TB prevention and case management to improve patient retention and the treatment success rate, as well as quality of services, by: (a) identifying and treating 38,163 TB patients by 2020 for an expected treatment coverage of 71% (up from 54% in 2016,) and reaching a treatment success rate of 90%; and (b) diagnosing and treating 250 MDR-TB patients to reduce the TB mortality rate from 60 per 100,000 population to 40.

The fragility of the HIV procurement and supply management system was another concern. To address this, drugs will be stored at the Central Medical Stores, and the PR, CRF, will ensure close supervision over the distribution from the central stores to health facilities.

The GAC recommended that should the government meet its co-financing commitments, the grant could be reprogrammed to cover the key interventions outlined in the original funding request — i.e. before it was refocused.

Republic of Congo malaria

The 2017–2019 allocation to the Republic of Congo for malaria came with a few strings attached.

The Global Fund “strongly recommended” that the allocation be focused on implementing a national long-lasting insecticidal net (LLIN) mass distribution campaign and associated activities. The allocation letter included a condition that the indicative amount shown for malaria and the recommended program scope could not be modified as part of program split discussions. In addition, the Fund “requested” that the ensuing grant be implemented by an international PR with significant experience in conducting LLIN campaigns. So, the mass campaign, scheduled for July 2019, will be implemented by Catholic Relief Services (as PR) with technical assistance provided by the Alliance for Malaria Prevention (AMP), and in collaboration with national implementers, including the national malaria control program (PNLP) and Caritas Congo (for effective coordination and supervision of activities from the central to the community level).

The grant aims to expand the LLIN coverage of one net for every two people from 37% in 2015 to 90% in 2020. The grant also includes funding for a series of surveys to facilitate effective implementation of the LLIN distribution, including a knowledge, attitudes and practices (KAP) survey done prior to the distribution to inform a communications campaign.

The grant has only a two-year implementation period (1 May 2018 to 30 April 2020) because all activities are centered on the one mass campaign.

As was the case with the TB/HIV grant, the GAC expressed concern about the government's ability to meet co-financing requirements.

RMEI

The Board approved funding of \$6.0 million for the Regional Malaria Elimination Initiative (RMEI) in the Mesoamerica region, but the Global Fund is not the only funder for this multi-country grant. The funding request that led to this grant was submitted by the Regional Coordination Mechanism for Elimination of Malaria in Mesoamerica and Hispaniola Island.

According to the GAC, in the 2014–2016 allocation cycle, the Global Fund provided support to the Malaria Elimination Initiative (known as the “EMMIE” grant) in nine countries: Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Nicaragua and Panama. (The applicant for the EMMIE grant was also the RCM.) Using an innovative cash-on-delivery approach, the grant aimed to reach zero malaria cases in these countries by 2020 and to seek certification of malaria elimination by 2025. An evaluation of the EMMIE grant determined that the countries in Central America and Hispaniola have made significant progress in reducing malaria, with cases declining by 90% in the past two decades. Haiti had also achieved significant progress, the evaluation said, but remains a center of transmission in the Caribbean. Despite the successes, the evaluation determined that the region is not currently on the trajectory needed to achieve the goal of elimination by 2020.

The RMEI grant will target the same nine countries. Haiti will not receive funding directly from the initiative, but will still be part of the regional workplan.

Building on the EMMIE grant, the Inter-American Development Bank (IDB), which is the PR for the RMEI grant, is establishing a Malaria Elimination Blending Facility (the “Facility”) as a multi-donor trust designed to build on work done at country level. The launch of the Facility is the result of a joint effort among private and public donors. The Facility hopes to leverage \$89.7 million for the 2018–2022 period, including contributions from the Bill and Melinda Gates Foundation (\$31.5 million), the Carlos Slim Foundation (\$15.1 million), and the Global Fund (\$6.0 million) — plus domestic investments of \$37.1 million. In addition, the Pan-American Health Organization (PAHO) and the Clinton Health Access Initiative (CHAI) will provide \$7.8 million in technical assistance.

The RMEI grant aims to (a) ensure that national strategic plans align with regional objectives; (b) develop strategies to address programmatic and financial gaps; (c) avoid duplication and overlap through “participative operational planning”; (d) coordinate all technical assistance; (e) incentivize results-based performance by including a results-based or outcomes-based tranche within the Facility; and (f) strengthen partnership through the formation of a Partnership Committee.

The investment will be governed by a framework agreement and a grant confirmation spelling out the specific terms and conditions of the Facility. The investment has a two-tiered structure under which (a) the Global Fund will contribute to the Facility together with other donors as described above; and (b) the IDB will provide concessional debt (or blended) financing where requested by countries, in accordance with loan agreements between the IDB and individual countries. The Global Fund will not be a party to the loan agreements. Global Fund financing will not become part of any loan between the IDB and participating countries.

According to the GAC, the Global Fund Secretariat has ensured that the structure and negotiation of the blended finance transaction and participation in RMEI has been completed respecting Global Fund policies and procedures, as well as both the guiding principles and operational considerations included in

the Framework for Joint Investments in Blended Finance, developed by the Secretariat in 2017 in consultation with the Audit and Finance Committee and the Strategy Committee. This includes (but is not limited to) establishing appropriate programmatic assurance, oversight, audit and access rights, and the ongoing involvement of the RCM in the implementation of RMEI.

While standard grant management practices will require some adjustments to accommodate the unique nature of the blended finance investment with the IDB, the GAC stated, these adjustments will not materially detract from the Global Fund's ability to provide programmatic and financial assurance over the use of Global Fund funds. In addition, the GAC said, the Office of Inspector General has separately reviewed, commented on, and provided its "no-objection" to this proposed arrangement.

Kenya HIV

The Global Fund has received a private sector contribution in the amount of \$3,954,564 from the Children's Investment Fund Foundation (CIFF) which will be integrated into a Kenya HIV grant (KEN-H-TNT). On 1 December 2017, the Board [approved](#) four TB/HIV grants and two malaria grants to Kenya. This additional investment will finance interventions on the register of unfunded quality demand (UQD) for the Kenya HIV program. It will help to reduce the \$76.0 million ART service delivery gap currently on the UQD register. Three million dollars will be used to procure pediatric ART commodities and the remaining \$1.0 million will provide essential supporting interventions related to ART pediatric service delivery in the 10 least performing counties in terms of ART pediatric indicators (testing, treatment and viral suppression). The GAC noted that signature of the CIFF contribution agreement was still pending.

Aidspan reported on the first batch of grant approvals for 2017-2019 [here](#); on the second batch [here](#); on the third batch [here](#); on the fourth batch [here](#); on the fifth batch [here](#); on the sixth batch [here](#) (the sixth batch consisted of just one grant); and on the seventh batch [here](#).

Most of the information for this article was taken from Board Document GF-B38-ER11 (Electronic Report to the Board: Report of the Secretariat's Grant Approvals Committee, undated). This document is not available on the Global Fund website. The Framework for Joint Investments in Blended Finance is also not available on this website.

[Read More](#)
