Aidspan

Independent observer of the Global Fund

EECA ALLOCATION LETTERS PROMOTE INVESTMENT IN RSSH

In the allocation letters to countries in Eastern Europe and Central Asia (EECA), the Global Fund made a strong push for increasing investments in building resilient and sustainable systems for health (RSSH).

For this analysis, Aidspan was able to collect letters sent to the 12 of the 16 countries eligible to receive allocations for 2017-2019. The 12 countries are: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kosovo, Kyrgyzstan, Moldova, Romania, Tajikistan, Ukraine and Uzbekistan. The other four countries, for which Aidspan has not yet obtained allocation letters are Albania, Montenegro, Serbia and Turkmenistan. (Regrettably, the Global Fund Secretariat has chosen not to routinely make the allocation letters public.)

The letters pointed out that many of countries in the EECA invested a smaller portion of their allocations in cross-cutting RSSH investments in the 2014-2016 funding cycle than other countries with similar income levels. The letters stated that the average level of investment was 9.3%.

(The 9.3% figure appears to refer to middle income countries across the Global Fund portfolio. All 12 EECA countries in our sample are middle-income countries. In an information note on RSSH, the Fund said that in the past, the approximate allocation for cross-cutting RSSH investments varied between 5% and 11%, “and that this trend continued during the 2014-2016 funding cycle.”)

In the allocation letter sent to one EECA country, the Fund said, rather bluntly,

“In the 2014-2016 allocation period, your budgeted investment related to cross-cutting resilient and sustainable systems for health interventions was … 0.3% of your grants signed in this allocation period. As RSSH is among the four strategic objectives of the new Global Fund Strategy, we therefore expect strong investments in RSSH in this funding cycle…. For reference, please note that the average cross-cutting RSSH investment in Global Fund grants for countries with similar income levels is: 9.3%.”

Only one EECA country in our sample exceeded the 9.3% average (Kosovo, at 21.8%). Georgia came in at 9.2%, Kazakhstan 8.6%, Belarus 5.2% and Azerbaijan 4.5%. All other countries in our sample invested between 0.3% and 3.8% in cross-cutting RSSH.

The push to invest in RSSH in the EECA is understandable given the above figures and given that the application of the Transition Preparedness Transition tool in numerous EECA countries has demonstrated that health system challenges could significantly impede sustainable transition of HIV and TB programs in the region (see GFO article).

The allocation letters, which are all structured similarly, cover the following topics:

- amount of the allocations, by component, including an indicative program split, and an allocation utilization period;
- general information about domestic financing;
- information on how to access the funds;
- information on opportunities to increase the return on investment;
- a general note about how the Fund may access any money owing in recoveries; and
- information on how to access funds and opportunities for funding beyond the allocation amount.

Regarding the program split, the letters said,

“As part of the principle of country ownership, it is up to the CCM to assess the best use of funds across eligible disease components. The Global Fund strongly encourages integrated programming across diseases and investments in resilient and sustainable systems for health. Therefore, applicants can either accept the Global Fund program split between components or propose a revised split, which will be reviewed by the Global Fund.”

The allocation utilization period is the implementation period of the grant. The letters said that any remaining funds from an existing grant, unused by the start of the allocation utilization period, cannot be added to the allocation amount.

See the table below for a summary of the information on allocations and types of funding requests provided in the letters.

Table: Summary of information for 12 countries in the EECA Region on the allocations and the type of funding request

Country (Income Level)	Disease Component	Allocation (US$)	Allocation Utilization Period	Type of Funding Request
Armenia (Upper LMI)	HIV	$5,282,781	1 Oct 2018 to 30 Sep 2021	Program continuation
	TB	$3,138,925	1 Oct 2018 to 30 Sep 2021	Program continuation
Azerbaijan (UMI)	HIV	$6,068,394	1 Jul 2018 to 30 Jun 2021	Program continuation

TB	$6,529,446	1 Jan 2018 to 31 Dec2021	Program continuation	
Belarus (UMI)	HIV	$7,862,511	1 Jan 2019 to 31 Dec 2021	Program continuation
	TB	$7,977,941	1 Jan 2019 to 31 Dec 2021	Program continuation
Georgia (UMI)	HIV	$8,412,986	1 Jul 2019 to 30 Jun 202	Program continuation
	TB	$7,175,07	1 Jan 2020 to 31 Dec 2022	Program continuation
Kazakhstan (UMI)	HIV	$2,714,223	1 Jan 2018 to 31 Dec 2020	Tailored
	TB	$9,840,440	3 years from the start date of the grant*	Tailored (national strategic pilot)
Kosovo (Upper LMI)	HIV	$1,576,433	1 Jan 2018 to 31 Dec 2020	Tailored
	TB	$1,527,522	1 Jan 2019 to 31 Dec 2021	Program continuation
Kyrgyzstan (Lower LMI)	HIV	$11,266,362	1 Jan 2018 to 31 Dec 2020	Program continuation
	TB	$12,203,652	1 Jan 2018 to 31 Dec 2020	Program continuation
Moldova (Lower LMI)	HIV	$7,144,919	1 Jan 2018 to 31 Dec 2020	Program continuation
	TB	$8,751,802	1 Jan 2018 to 31 Dec 2020	Program continuation
Romania (UMI)	TB	$4,052,972	1 Apr 2018 to 31 Mar 2021	Tailored (transition)
Tajikistan (Lower LMI)	HIV	$12,939,544	1 Jan 2018 to 31 Dec 2020	Tailored (material change in defined areas)
	TB	$9,752,657	1 Apr 2018 to 31 Mar 2021	Tailored (material change in defined areas)
Ukraine (Upper LMI)	HIV	$70,836,441	1 Jan 2018 to 31 Dec 2020	Program continuation
	TB	$48,646,090	1 Jan 2018 to 31 Dec 2020	Program continuation
Uzbekistan (Lower LMI)	HIV	$13,928,377	1 Jul 2018 to 30 Jun 2021	Program Continuation
	TB	$21,640,400	1 Jul 2018 to 30 Jun 2021	Program Continuation

* Note: The Global Fund was able to be precise about the allocation utilization period in almost all countries because the start and end dates of existing grants have usually been aligned within each component. As we understand it, Kazakhstan is an exception, so the start date has not yet been determined.

It is interesting to note that none of the 23 components listed in the table are required to submit a full funding request. For a description of the different types of funding requests, see GFO article.

Aside from the amount of the allocations, and the program split, most of the information in the letter was generic to all countries in the ECCA. However, each letter was accompanied by an Annex A which contained a mix of generic and country-specific information on a host of topics, specifically:

- more information on program splits;
- a section on resilient and sustainable systems for health;
- information on the need to submit a prioritized above-allocation request (PAAR) (more on this below);
- information on domestic financing (more on this below);
- country-specific information on the focus of application requirements (which are based on income level); and
- country-specific information on the type of funding request to be used for each component. Details of the funding request packages applicable to that country are provided.

Each letter also contained an Annex B, which provided generic guidance on topics such as value for money; strategies for HIV, TB and RSSH; and promoting and protecting human rights and gender equality.

Prioritized above-allocation request

The letter said that all applicants are required to submit a prioritized and costed above-allocation request (PAAR). Requests reviewed by the Technical Review Panel that are found to be technically sound and strategic are added to the register of unfunded quality demand. Initiatives on the register may be funded in a variety of ways, including from savings achieved during grant implementation.

Domestic financing

The section on domestic financing provides country-specific information on domestic funding requirements for both the 2014-2016 and 2017-2019 allocations. Applicants are reminded that they must show evidence that they have met the co-financing requirements for 2014-2016, including the additional willingness-to-pay requirements that were agreed to.

With respect to the 2017-2019 co-financing requirements, each applicant is told what portion of the allocation is subject to additional co-financing investments; and the minimum amount of additional co-financing investments the country has to make to access the full co-financing incentive.

Finally, each applicant is told what proportion of additional co-financing contributions must be invested in disease programs. (The Sustainability, Transition and Co-Financing policy is available here [see GF/B35/04]; see also GFO article on counterpart financing.)

Other country-specific details

Annex A of the allocation letter explicitly indicates the focus of application requirements for each country. Upper-middle-income countries, such as Azerbaijan, Belarus, Georgia, Kazakhstan and Romania, are required to commit 100% of the funding for maintaining or scaling up evidence-based interventions for key and vulnerable populations – or new technologies and innovations that represent global best practice. The letters to these countries said, “Funding requests can include interventions for ensuring transition readiness, which should include critical RSSH needs for sustainability as well as improve equitable coverage and uptake of services.”

For the other countries – all upper and lower lower-middle-income – the letters define program design priorities for only 50% of the funding. This is consistent with Global Fund policy.

Only two countries out of the 12 in our sample are eligible for catalytic funding. Kyrgyzstan may receive up

to $1 million for an HIV component on “Programs to remove human rights-related barriers to health services.” Ukraine is eligible for up to $15.2 million for four different components, specifically “HIV: Key populations impact” ($3.9 million); “HIV: Programs to remove human rights-related barriers to health services” ($2.3 million); “TB: Finding missing TB cases” $7.0 million; and “RSSH: Data systems, data generation, data use” ($2.0 million).

Finally, Uzbekistan may receive an incentive award of $400,000 (drawn from its malaria 2014-2016 allocation) if it is able to present a malaria elimination certificate prior to 31 December 2018.

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