



Independent observer
of the Global Fund

Of the \$98 million in country grants approved by Global Fund Board from 2017-2019 allocations, Latin America and Caribbean receive \$57 million

This is the second of two articles in this issue on the grants recently approved by the Global Fund Board. In this article, we report on the comments of the Grant Approvals Committee (GAC) on four countries in the Latin American and Caribbean region: Belize, El Salvador, Panama and Paraguay.

On 12 November 2018, the Board approved the 14th batch of grants from the worth a total of \$98.0 million in funding for 14 grants from 13 countries.

The nine grant components approved for eight countries in the Latin America and Caribbean region (LAC) were two each for HIV, TB, and malaria, and three for TB/HIV (see Table 1 in [the first article in this issue](#)). The total amount approved for these nine grants was \$57,774,455. Interventions totaling \$3,060,325 million for the nine LAC grants were added to the [Unfunded Quality Demand \(UQD\) Register](#). Domestic commitments to the LAC programs represented by the approved grants amounted to \$399,232,943 million.

In this article, we summarize the GAC's comments for four components: Belize TB/HIV, El Salvador HIV, Panama TB/HIV, and Paraguay TB.

GAC comments on individual country funding requests

Belize TB/HIV

At 1.4%, Belize has the highest national HIV prevalence rate in Latin America. This rate means that Belize's HIV component remains eligible for Global Fund financing (even though Belize is an upper-middle-

income country). The TB component (TB incidence of 38 cases per 100,000 people) is transitioning away from Global Fund financing.

However, Belize developed a transition readiness assessment (TRA) and work plan for both TB and HIV, reflecting Belize's desire to keep the two programs working together. The objectives of the transition work plan are:

- To scale up and advance a human rights framework for key populations;
- To build political will through an investment case that demonstrates the national economic cost/benefit of investing in the public-sector response; and
- To support sustainable HIV and TB responses by strengthening and building systems and collaboration between government and community.

According to the GAC's report to the Board, after the TRP reviewed the funding request, the Secretariat asked the GAC for some direction concerning how to prioritize the TRP's recommendations "given the smaller size of the allocation relative to the previous allocation."

Editor's note: Belize was allocated \$1.92 million for 2017–2019 compared to \$4.50 million for 2014–2016. However, on numerous occasions, the Secretariat has said that the allocations for the two periods are not comparable (mainly because the 2014–2016 allocations included existing as well as new funding). This was explained at length in a [GFO article](#) on 23 October 2017. Despite what the Secretariat said, however, in its comments on individual funding requests the GAC (which is part of the Secretariat) has frequently alluded to individual country allocations having been reduced from 2014–2016 to 2017–2019.

The GAC recommended that the applicant focus on improving the antiretroviral treatment cascade; improving TB outcomes; building national capacity; and ensuring there are no legal barriers to social contracting.

The GAC noted that the grant envisages supporting the development of a civil society organization (CSO) hub, a platform for bringing CSOs together to (a) support a more comprehensive and coordinated CSO response; and (b) help the government implement social contracting. The GAC welcomed this initiative, though it noted "the inherent complexity of coordination" and the need for more focus on capacity building, especially for smaller NGOs, some of which is ongoing through the Community, Rights and Gender (CRG) Strategic Initiative. The GAC encouraged Belize to continue to strengthen efforts in this area.

In its report to the Board, the GAC stated that it would have liked to have seen more progress in transferring responsibility for implementing Belize's TB/HIV grant to national implementers. The current PR is the UNDP, which will remain the PR for the new (transition) grant. The GAC acknowledged that there are a limited number of "alternative high-capacity implementers."

The GAC stressed the strategic importance of UNDP leveraging its staff and its overall linkages in-country to proactively support the in-country transition process. "The Global Fund will rely on its partnership with UNDP to ensure that the transition outcomes, including transferring capacity to national implementers that has been negotiated and agreed to in this grant are realized, given UNDP's standing in Belize and its strong implementing capacity," the GAC stated.

El Salvador HIV

The program budget for El Salvador HIV is \$27.5 million, which is \$13.0 million higher than the country's indicative HIV allocation for 2017–2019 of \$14.5 million. The difference is due to the proceeds from a Debt2Health initiative involving the Global Fund and the governments of El Salvador and Germany.

El Salvador's HIV epidemic is concentrated among key populations — specifically, sex workers transgendered women, and men who have sex with men (MSM). The grant aims to reduce new HIV infections in key populations by:

- Providing comprehensive HIV prevention services to key populations;
- Strengthening and expanding comprehensive services for people living with HIV/AIDS, with emphasis on the key populations, in the different institutions that provide health services; and
- Strengthening the healthcare system through a human rights, gender and multi-sectoral participation approach.

The proceeds from the Debt2Health swap (\$13.0 million) will be used to support the relocation and refurbishment of the National Reference Laboratory, an RSSH project.

To meet its co-financing commitment, the government must invest at least \$1.6 million during 2019–2021 in priority areas within the HIV program. The Minister of Health has made a written commitment to invest even more than that. The GAC said that these investments are aimed to facilitate the country's transition away from Global Fund financing. The government has been increasingly taking over responsibility for human resources, antiretroviral drugs and reagents and plans to continue this approach, the GAC noted.

With the aim of streamlining the management of a focused portfolio — and also to start the process of the country's preparation for transition and facilitating the engagement of the government with CSOs — the Secretariat encouraged the CCM to present a single recipient for the HIV component funding.

(The fund portfolio manager, Jaime Briz de Felipe, told Aidsplan that in the funding request, the CCM proposed the Ministry of Health [MOH] as a single PR starting on 1 January 2019. Currently, there are two grants in El Salvador's HIV component, one [SLV-H-MOH] with the MOH as PR and the other [SLV-H-PLAN] with Plan International as PR. The Plan International grant will end on 31 December 2018. Plan International will become the sole sub-recipient [SR] for the MOH grant. A number of CSOs will serve as sub-SRs.)

As far as we know, no date has been set for the transition of El Salvador's HIV component. According to the [Global Fund's transition projections](#), El Salvador's TB and malaria components are projected to become ineligible during 2017–2019 based on the country's move to upper-middle-income status and may receive transition funding in 2020–2022.

Panama TB/HIV

Like Belize (see above), Panama has a TB component which is transitioning away from the Global Fund while its HIV component remains eligible. The HIV prevalence rates among MSM and transgender populations are estimated at 13% and 15%, respectively.

Panama was classified as a high-income country by the World Bank in July 2018 and so will not likely be eligible for HIV funding in 2020–2022.

Given the context, Panama chose to develop a joint TB/HIV funding request based on a transition plan already developed, the GAC said. The grant focuses on addressing the main transition risks and aims to

strengthen partnerships and multi-sectoral collaboration at the national level. Particular attention is given to the continuity of community-based strategies that have proven effective for the sustainability of the HIV and TB response.

Panama has experienced rapid economic growth which has translated into high spending levels, the GAC said. To meet its co-financing requirements, the government has committed to invest over \$400,000 in the following six areas:

- Community outreach programs for key populations;
- Free HIV testing for all populations, including key populations;
- Maintenance cost of the eight CLAM (public “welcoming” clinics);
- Delivering and monitoring ART;
- TB community promoters; and
- Directly-observed treatment, short course (DOTS) for TB.

While acknowledging the current strong commitment from the government, the GAC noted that with elections scheduled for 2019, there is a risk that the government’s priorities might change. The GAC added that despite notable recent progress, the TB response continues to face significant challenges in case detection and treatment.

The UNDP is the PR for this grant because no local entities with sufficient capacity were identified. The GAC said “the Global Fund will rely on its partnership with UNDP to ensure that the transition outcomes, including transferring capacity to national implementers that has been negotiated and agreed to in this grant are realized, given UNDP’s standing in Panama and its strong implementing capacity.” (The GAC made a similar comment with regard to Belize.)

Paraguay TB

Paraguay received transition funding for its TB component for the 2017–2019 allocation period because it is an upper-middle-income country with less than a high TB disease burden. The grant was based on an independent transition readiness assessment (TRA) and a transitional work plan for both HIV and TB. The work plan calls for strengthening leadership and governance as well as the national health response for TB; improving strategic planning; increasing national funding; addressing social determinants for health and social protection; and improving strategic TB data.

In addition, the grant aims to guarantee the political commitment toward a sustainable TB response; and strengthen an integrated approach toward TB treatment, one that focuses on patients’ needs.

Regarding co-financing, Paraguay is required to invest \$437,298 in 2019–2021 over and above what it spent on TB in 2016–2018. The government has committed to invest more than \$1.6 million, which is several times the required amount.

In line with the Global Fund’s Sustainability, Transition and Co-Financing (STC) Policy, as an upper-middle-income country Paraguay’s additional domestic investment should focus on disease components and RSSH activities to address roadblocks to transition, with a minimum of 50% invested in specific disease components targeting key populations. Although discussions with the government are along these lines, the Secretariat nevertheless wants the government to submit a revised joint letter of commitment to formalize this approach.

The GAC said that the TB program in Paraguay is underfunded by about \$11 million to \$13 million a year for the period 2019–2023.

The GAC said that it appreciated the fact that Paraguay will have a national TB body for better integration of services and greater inter-program and cross-sectoral coordination of the response. The GAC noted, however, that in the absence of a TB law, there are challenges with respect to what this body can undertake.

The fund portfolio manager for Paraguay, Filippo Iarrera, explained to AidsPan that the National TB Council (Consejo nacional de TB, or CONATB) has only recently been formed by the Ministry of Health (MOH) and may start its work very soon. One of its immediate priorities, Iarrera said, is to discuss the progress made in terms of drafting the TB law; improve the draft law; and then support the process for congressional approval, hopefully in 2019.

The need for a TB law was one of the findings of the TRA, Iarrera said. The TRA said that the law would provide an overall political umbrella for:

- Bringing about a more integrated and inter-programmatic approach, with the active involvement of ministries other than the MOH (most notably, the Ministry of Justice);
- Potentially improve the positioning of TB within the national health agenda with potential positive consequences for national funding and
- Protecting the human rights of people affected by TB.

Iarrera said that while the law itself cannot resolve all problems, “we believe it could certainly help provide a policy framework that could strengthen the enabling environment essential to strengthen the national TB response.”

The GAC noted the progress in transition planning and transition preparedness during development of the TB funding request and during grant-making. Despite this progress, the GAC said, Paraguay should continue advocacy efforts during grant implementation; and there should be “continued engagement with the highest levels of the government beyond the Minister of Health.”

Iarrera said that Paraguay has made important counterpart financing commitments to the TB response under this transition grant. He added that the TRA and the transition workplan contain some important areas of work that are reflected in Paraguay’s grant over the next three years. Many of these endeavours will require the support and participation of agencies of the government beyond the MOH.

The TB Caucus of the Americas is also supporting this work. In addition, Iarrera said, “it is essential for stakeholders close to the TB program to continue their own efforts with other ministries, to advocate for a fully-funded domestic TB response.”

In [GFO 325](#), AidsPan reported on the 12th and 13th batches of grant approvals. That same article listed the grants approved in the 10th and 11th batches. AidsPan reported on the ninth batch of grant approvals [here](#). That article contains links to the GFO articles on the first eight batches.

Most of the information for this article was taken from Board Document GF-B39-ER16 (“Electronic Report to the Board: Report of the Secretariat’s Grant Approvals Committee”), undated. This document is not available on the Global Fund website.

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