



Independent observer  
of the Global Fund

## LATEST WAVE OF FUNDING APPROVALS: \$433 MILLION FOR 20 GRANTS FROM 12 COUNTRIES

In late December 2015, the Global Fund Board approved \$433 million in funding for 20 grants emanating from concept notes submitted by 12 countries. Of the \$433 million, \$297 million represented new money; the balance was existing funding that had been approved prior to the new funding model but was nevertheless included in the NFM allocations to countries. The Board was acting on recommendations from the Grant Approvals Committee and the Technical Review Panel.

Included in the \$433 million was \$136 million in incentive funding. In addition, the Fund placed interventions worth \$58 million in the registry of unfunded quality demand. See the table for details.

The Board also approved \$30 million for a regional grant to address the growing problem of tuberculosis among Southern Africa's miners.

Table: Funding for country grants approved by the Global Fund, December 2015 (\$ million)

Country (component)	Grant name	Principal recipient	Approved Funding			Of which, incentive funding	Added to UQD register
			Existing	New	Total		
Botswana (TB/HIV)	BWA-C-ACHAP	African Comp. H/A Partnerships	NIL	16.8 m	16.8 m	3.5 m	7.4 m
	BWA-C-BMOH	Ministry of Health	0.4 M	9.8 m	10.2 m		

Chad (malaria)	TCD-M-UNDP	UNDP	5.1 m	60.1 m	65.2 m	2.7 m	NIL
Djibouti (mal.)	DJI-M-UNDP	UNDP	NIL	7.8 m	7.8 m	NIL	NIL
Djibouti (TB)	DJI-C-UNDP	UNDP	0.4 m	8.6 m	9.0 m	NIL	NIL
Haiti (HIV)	HTI-M-PSI	Pop. Services Intl.	1.6 m	15.7 m	17.3 m	NIL	7.5 m
Indonesia (TB/HIV)	IDN-H-MOH	Ministry of Health	19.5 m	18.3 m	37.8 m		
	IDN-H-NAC	Natl. AIDS Comm.	6.6 m	13.9 m	20.5 m		
	IDN-H-SPIRITI	Spirita Foundation	1.1 m	23.2 m	24.3 m	107.5 m	27.8 m
	IDN-T-MOH	Ministry of Health	3.3 m	35.1 m	38.4 m		
	IDN-T-AISYIYA	Cen. Bd. of Aisiyah	4.8 m	17.0 m	21.8 m		
Mali (TB/HIV)	MLI-H-UNDP	UNDP	40.9 m	14.1 m	55.0 m	NIL	NIL
Paraguay (mal.)	PRY-M-OIM	Intl. Org. for Migr.	NIL	2.8 m	2.8 m	NIL	NIL
S.T. & P. (mal.)	STP-M-UNDP	UNDP	1.5 m	4.4 m	5.9 m	NIL	NIL
Senegal (TB)	SEN-S-MOH	Ministry of Health	NIL	4.8 m	4.8 m	0.4 m	NIL
Sierra Leone (TB/HIV)	SLE-H-NAS	Natl AIDS Secretariat	27.6 m	5.6 m	33.2 m		
	SLE-H-MOHS	MOHS (NLTP)	1.3 m	12.2 m	13.5 m	17.8 m	14.2 m
Sri Lanka (HIV)	LKA-H-FPA	Family Pl. Assoc.	0.9 m	4.5 m	5.4 m		
	LKA-H-MOH	MOH and Indig, Med.	1.6 m	3.9 m	5.5 m	NIL	NIL
Togo (malaria)	TGO-M-PMT	PM's Office	20.6 m	5.5 m	26.1 M	3.7 m	NIL
Tunisia (HIV)	YUN-H-ONFP	Office Nat. de la Famille et de la Pop.	1.1 m	10.5 m	11.6 m	NIL	0.7 m
TOTALS			138.3 m	294.3 m	432.9 m	135.6 m	57.6 m

The grants to Chad, Mali, Senegal and Togo were in euros which were converted to dollars at the rate of 1.0933.

Discrepancies in totals due to rounding.

Indonesia received the most money of any country – \$143 million for five TB/HIV grants; Chad was

awarded \$65 million for a malaria grant; and Mali got \$55 million for a TB/HIV grant.

## Indonesia

In its report to the Board, the GAC said that following an “extensive and consultative” grant-making process, \$9 million of Indonesia’s “upper funding ceiling” remained unprogrammed (\$4 million from the HIV component and \$5 million from the TB component). The upper funding ceiling is the upper limit set by the GAC when it decides that a grant is ready to move into grant-making. The GAC report does not mention what the upper funding ceiling was. The GAC noted that the funding that it recommended requires “nearly doubling the program’s absorption over the upcoming two years” and that the country’s capacity has “already been set to the upper limit.”

The GAC appeared to be saying that the country’s HIV and TB programs were already operating at full capacity and so could not absorb the additional \$9 million. The GAC said that it supports the idea of investing \$3 million of this money in an existing Multi-Donor Trust Fund set up by the World Bank and Australia’s Department of Foreign Affairs and Trade. Some money from the Trust Fund will be used to provide technical assistance to Indonesia to strengthen aspects of its health systems, and to conduct studies on ways to reduce the country’s dependence on donor funding for health. The GAC said that the remaining \$6 million will be returned to the general funding pool.

## Paraguay

Paraguay was awarded \$2.8 million for a malaria grant. The country is in the malaria elimination phase. No malaria-related deaths have been reported since 2000. This is Paraguay’s first grant for malaria from the Global Fund (and probably its last, according to the GAC). The program goal is to obtain certification from the World Health Organization as a country free from malaria, and to prevent the reintroduction of malaria to Paraguay with a priority focus on mobile and vulnerable populations.

Paraguay’s allocation was \$5.4 million and the country coordinating mechanism submitted a concept note for the full amount. However, based on recommendations from the Technical Review Panel, the GAC set an upper funding ceiling for grant-making of \$3.0 million because, it said, only activities critical to implementing the malaria control strategy and building resilient and sustainable systems for health that are currently not covered by domestic resources should be included in the final grant. The GAC reasoned that the Global Fund financial support to Paraguay malaria program would not contribute directly to a reduction in malaria disease burden nor impact malaria morbidity and mortality. It said that the money would be used instead “as a catalytic investment to ensure that the systems for health are in place to achieve malaria elimination certification and ensure the prevention of the reintroduction of malaria in Paraguay.”

The GAC recommended that the grant be structured in two stages. The first stage would be the three-year implementation period covered by the \$2.8 million funding award. In the second stage, the GAC said, “a possible award contingent upon the attainment of certification of malaria elimination may be considered within the Global Fund’s results-based financing policy during the next allocation period.” However, the GAC said, that decision would be made based on the policies in effect at the time on results-based financing and country allocations, as well as the availability of funding for such an award.

The GAC recommended that Paraguay’s remaining allocation of \$2.3 million be returned to the general funding pool.

## Sierra Leone

Sierra Leone was awarded \$47 million for TB and HIV. According to the GAC, the Sierra Leone TB/HIV program submitted its funding request through a simplified approach in order to link with the post-Ebola

health sector recovery plan, which was developed in consultation with a full range of stakeholders and reflected extensive country dialogue. In addition, the funding request underwent accelerated grant-making and the grant agreement was negotiated in advance, to avoid any gap in funding when the then current grants expired at the end of December.

Sierra Leone was the country most significantly affected by the Ebola outbreak, with 8,400 cases reported and 3,600 deaths (as of March 2015). Poor early recognition of suspected cases and inadequate infection prevention and control standards led to 296 infections and 221 deaths among health care workers, including 11 specialized physicians. The closure and decreased capacity of health units to treat other medical issues resulted in a 23% drop in institutional deliveries, a 39% drop in children treated for malaria, and a 21% drop in children receiving basic immunization. The outbreak also had a profound impact on the HIV and TB disease programs. All programmatic activities were affected, particularly care and prevention. There were significant rates of default, loss to follow-up, stock-out of commodities and fear of both health workers and community members to visit the health facilities.

Not surprisingly, the GAC concluded that investments in human resources for health in Sierra Leone are essential to successful implementation of Global Fund–supported TB/HIV, malaria and other national health programs.

#### Other countries

Here is some information on some of the other grants approved for funding:

Botswana (TB/HIV). The grants include activities to improve the ethical and legal environment to support the response to HIV, including training and sensitization of policymakers and implementers, such as police and court personnel. In addition, the capacity of civil society organizations to deliver HIV and TB services will be strengthened by addressing gaps in areas such as finance and administration, program monitoring and evaluation, and human resources management.

Chad (malaria). The GAC said that total domestic financial commitments amount to \$21 million, which is 66% higher than for the previous implementation period. However, the GAC noted that the decline in oil prices and the Boko Haram conflict have had an impact on the level and availability of state funds for the health sector in 2015, and will likely continue to have an impact during the implementation period of this grant. The Secretariat plans to monitor government commitments through government budget and expenditure reports to be submitted on a quarterly basis, and by maintaining ongoing dialogue with the country coordinating mechanism, the National High Coordination Council and a multisectoral counterpart financing committee responsible for the monitoring of government commitments.

Djibouti (malaria). The GAC noted that the Secretariat has been pursuing the recovery of \$4 million stemming from fraudulent and ineligible expenditures identified by the Office of the Inspector General in 2012. To date, \$1.75 million has been repaid in accordance with a repayment schedule agreed between the Global Fund and Djibouti. Full repayment is expected by the end of 2016. However, the Secretariat is currently reviewing the findings of an independent audit firm in order to determine how much of the remaining expenditures found to be non-compliant by the OIG should be repaid by Djibouti.

Mali (TB/HIV). Although Mali submitted a joint TB/HIV concept note, funding for only one HIV grant covering treatment was approved in December. An HIV prevention grant with Plan Mali as principal recipient will be presented to the GAC for final review once grant-making is completed. A TB grant will be implemented by a different PR and will be reviewed by the GAC at a future meeting, even though it went through the grant-making process with the HIV grants.

Senegal (HSS). The GAC said that this grant, for which the PR is the Ministry of Health, will pilot “a

shared-service approach on financial management” with the MOH’s financial department, which also works with other donors and the government. The report did not elaborate further.

Sri Lanka (HIV). One of the objectives of the two grants is reach 80% of key populations and other vulnerable groups with targeted prevention and outreach programs. Although Sri Lanka was awarded \$10.9 million, this amount could yet be reduced. According to the GAC, as a result of an investigation by the Office of the Inspector General and a review of progress update disbursement requests submitted, certain ineligible expenditures were identified. Should the Secretariat be unable to recover the full amount, the GAC said, the Secretariat intends to withhold an amount to be determined from the country’s allocation, as has been done in several other cases.

Togo (malaria). Malaria is the leading cause of mortality and morbidity in Togo, a low income country. The entire population of 6.8 million is at risk of transmission. Up to now, the government’s contributions to the malaria program have gone to staff salaries and to the administrative expenses of the program. Given that the core components of the malaria program are financed through external resources and that significant funding gaps exist, the Secretariat made leveraging additional domestic resources a clear focus of country dialogue. As a result, the GAC said, the government has taken a significant decision to co-finance 50% of the costs of long-lasting insecticide-treated nets and 40% of the procurement and supply management costs required for the mass distribution campaign planned for 2017. The GAC stressed the importance of the domestic commitments materializing in order for the planned distribution campaign to go ahead.

Tunisia (HIV). The \$11.6 million award from the Global Fund will be used to, among other things, intensify prevention efforts among sex workers, men who have sex with men, and people who inject drugs. Tunisia is an upper-middle-income country. The GAC said that the Secretariat will continue to engage with the stakeholders, including the government, to support the country in the development of a sustainability plan. Currently, the government’s investments go toward HIV care and treatment.

## Regional grant

The TB in the Mining Sector in Southern Africa program seeks to address TB and related illnesses among mineworkers, ex-mineworkers and their families and communities in 10 countries: Lesotho, Swaziland, Mozambique, South Africa, Botswana, Namibia, Zambia, Zimbabwe, Tanzania, and Malawi. These ten countries have some of the highest TB incidence rates in the world, averaging 591 per 100,000 population. Mineworkers have dramatically higher rates of TB infection than the general population as a result of crowded living and working conditions with inadequate ventilation; a high incidence of silicosis, particularly among gold miners; and co-infection with HIV.

The ministries of health and national TB programs of each of the respective countries included in the program were engaged throughout the grant-making process to ensure that the strategies of the regional program were aligned with those at the national level. According to the GAC, the program will not create parallel systems to those that already exist, but rather work to ensure dialogue and coordination between the respective programs.

The regional proposal was submitted by the Southern Africa Regional Coordinating Mechanism. The grant will be implemented by the WITS Health Consortium.

Information for this article comes from the December 2015 report of the Secretariat’s Grant Approvals Committee to the Board (GF-B34-ER02). This document is not available on the Fund’s website.

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