Independent observer of the Global Fund

Global Fund Observer

NEWSLETTER

Issue 359: 26 June 2019

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BY GEMMA OBERTH

In January 2017, the Global Fund granted €3.6 million to the International Treatment Preparedness Coalition (ITPC) to implement a regional community treatment observatory in 11 West African countries. ITPC has recently released a new report, detailing key findings, analysis and advocacy opportunities from the first year and a half of grant implementation. The report highlights key gaps along the HIV care continuum, and shares advocacy success stories on the alleviation of stock-outs and improvements in facility-level data quality. The report's lead author explains.

4. ANALYSIS: Global Fund programs grapple with challenging monetary environment in Zimbabwe

BY SAMUEL MUNIU AND DJESIKA AMENDAH

Zimbabwe has recently undertaken reforms to reduce the 'dollarization' of its economy, and has just outlawed the use of any foreign currency. The change in monetary policy has negatively affected Global Fund grants, causing delays in aspects of grant implementation, increasing grants' transaction costs, prompting accountability challenges, lowering healthcare worker morale, and reducing the state's ability to procure ARVs.

5. FEATURE: Global Fund's new Data Explorer aims to tell a story through data

BY ANDREW GREEN

The Global Fund has replaced the 'Grant Portfolio' section of its website with the Data Explorer, an interactive platform for examining Global Fund financing and for viewing the results of those investments. The new portal offers opportunities to refine and visualize data that were not previously available. Its developers say it should eventually expand to include more information on donor investments in the Global Fund and the ultimate impact of the Global Fund grants.

6. OF INTEREST: Other news relating to the Global Fund partnership

BY ADÈLE SULCAS

This GFO's 'Of Interest' column highlights Sir Elton John and French President Emmanuel Macron's joint appeal for a $14-billion Replenishment, Japan's pledge to save 'one million lives' with its commitment to the Global Fund's Sixth Replenishment, the launch of German NGOs' #FillUpTheFund campaign, South Africa's new human rights plan for TB and HIV, and Botswana's decriminalization of homosexuality.

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ARTICLES:

1. NEWS: HIV outbreak in Pakistan draws attention to major failures in healthcare system

More than 600 people, mostly children, infected through unsafe medical practices

Adèle Sulcas **25 June 2019**

An outbreak of HIV among children in Pakistan that began in April, in the province of Sindh, has caused outrage in the country and attracted worldwide media attention. So far more than 600 people, more than 80% of whom are children, have been infected with HIV most likely due to unsafe use of syringes, intravenous drips and unsafe blood transfusions.

The first signs of the outbreak happened in the village of Ratodero, a small town in southern Pakistan. A local doctor, treating a small number of families who had brought their children for treatment of persistent fevers, sent blood samples from the children for diagnostic tests after they didn't respond to medical treatment. On April 24, this first batch of HIV-test results showed that 15 children were HIV-positive – but none of their parents were.

The health department of Sindh province then set up a special camp to offer free HIV screening at a local government hospital. One month later, a senior advisor to the Pakistan health ministry said at a press conference that of more than 21,000 people who had been screened up to that point, 681 people had tested positive for HIV, 537 of them children between the ages of two and 12.

As of June 23, Pakistan's National AIDS Control Program (NACP) reported that 29,158 people had been screened since 25 April. Of these 831 were 'suspected HIV-positive – 685 children and 146 adults – and to date 548 children and 114 adults have been confirmed as HIV-positive and connected with HIV treatment centers.

The consensus among medical experts seems to be that, given the parents' HIV-negative status, the mode of transmission must have been caused by the unsafe practice of using one syringe for many patients. UNAIDS, citing Pakistan's own government reports, said that around 600,000 'quack' doctors are practising across the country, around 270,000 of these in Sindh province.

In early June, the Washington Post described the outbreak as spreading "anxiety throughout a country already confronting distrust in its health system and skepticism of its immunization programs". In mid-June, Al Jazeera reported that Pakistan was facing a lack of sufficient anti-retroviral drugs to treat those affected.

Global Fund is Pakistan's sole provider of antiretroviral treatment

The Global Fund currently provides antiretroviral therapy for 17,149 people in Pakistan, out of the 165,000 people in the country who are estimated to be HIV-positive (nearly half of whom live in Sindh province, according to UNAIDS).

The Fund Portfolio Manager for Pakistan, Werner Buehler, told the GFO in an email that when the outbreak occurred (in April), that there weren't enough pediatric ARVs in stock in

Pakistan to put all the children who had been newly diagnosed with HIV on treatment, so physicians had to establish priorities for treatment based on patients' CD4 counts.

Officials from Pakistan's national AIDS program (NACP) told the Global Fund that it had enough pediatric ARVs in stock to cover 300 children and continue them on treatment until July 2019, but did not have enough stock to cover another 300 children. Immediately after, Buehler said, the NACP placed two urgent orders with the Global Fund for pediatric ARVs. (The Global Fund is currently the only source for antiretroviral treatment in Pakistan.)

"The Global Fund promptly confirmed availability of the drugs with manufacturers, and the process to have those delivered to Pakistan is underway," Buehler said, adding that the lead time for procurement is determined mostly by the logistics related to shipping and obtaining the necessary waivers from the Pakistan's government. This emergency order for treatment adequate for 600 additional children is due to arrive in Pakistan in the first week of July.

The NACP has placed an additional emergency order for treatment for 1000 children that is expected to arrive in the country at the end of July. Given the overall state of ART stocks and this pipeline, the NACP "doesn't see an alarming situation that cannot be handled by PSM," the Global Fund told the GFO.

Buehler said that the Global Fund is currently in talks with the Government of Pakistan, UNAIDS and WHO, "to possibly reorient our HIV grant towards the priorities which now emerge as a consequence of the Larkana outbreak". These include HIV sentinel sites, systematic opt-out testing outside of high-risk groups, and increased procurement of ART.

2016 HIV outbreak in same part of Pakistan

A similarly sudden outbreak of HIV occurred in Sindh province in 2016, when more than 1500 people were found to be HIV-positive in an unusual surge in positive HIV test results after thousands of people were tested. At that time, most of the newly infected people were men, and the cause was linked at the time to sex workers in the area, 32 of whom were found to be HIV-positive.

UNAIDS has said that the HIV epidemic in Pakistan (once considered a low-prevalence country) is expanding, with the numbers of young people who are HIV-positive increasing by almost 30% between 2010 and 2017.

The Global Fund has funded five HIV/AIDS grants in Pakistan to date, with a total investment of more than $300 million since the first Global Fund grants began there in 2003.

Further reading:

- *Pakistan's National AIDS Control Program*
- *BBC News's article from 21 May 2019*
- *The Washington Post's article from 6 June 2019 on the Larkana outbreak*
- *Al Jazeera's article from 16 June 2019*

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2. NEWS: Global Fund invests $40 million to facilitate $400-million World Bank loan to India

Loan 'buy-down' leverages increased resources to frontload India's investment, help achieve impact quickly

David Garmaise **26 June 2019**

The Global Fund describes the $41.6 million in funding awarded to India in April as an innovative approach that will catalyze significant additional funding for the fight against tuberculosis. The award includes $40.0 million to buy down a portion of a $400.0-million loan from the World Bank over five years.

This is the first time that the Global Fund has invested in a 'pure' loan buy-down.

Loan buy-downs, sometimes referred to as 'blended finance', are one of the innovative financing mechanisms that the Global Fund has been exploring as a way of increasing domestic financing and program sustainability and, in the process, of scaling up HIV, TB and malaria services in low- and middle-income countries.

The idea is that buying down (i.e. paying down) a portion of the principal makes the loan more affordable for India. The hope is that it will also incentivize the government to make additional investments in TB or in the health sector more generally. (See discussion of loan buy-downs in GFO 323, November 2017, and GFO 339, July 2018.]

The $41.6 million award was part of the 19th batch of funding approvals (see article from GFO 355, May 2019). The source of the funding was $250.0 million made available in 2018 by the Audit and Finance Committee, for portfolio optimization to fund high-impact interventions from the Register of Unfunded Quality Demand (UQD).

In addition to $40.0 million for the buy-down, the award includes $1.6 million to cover administration and prepayment premium costs.

Context

When the Grant Approvals Committee (GAC) recommended the award to the Global Fund Board, it said that TB in India is an urgent issue and a public-health imperative.

In 2017, India accounted for 27% of the total estimated number of people with TB globally, 24% of the people with drug-resistant TB, and over 25% of the people dying from TB.

India has an estimated TB incidence of 2.74 million people. The GAC stated that each year, about one million TB patients in India are not 'notified', which represents a quarter of the

missing TB cases globally. India represents 31% of the TB burden in the Global Fund portfolio and it accounts for about a third of the service-delivery targets for TB in the Global Fund Strategy 2017-2022.

Although case notification for both drug-sensitive (DS) and drug-resistant (DR) TB has been rising in India in the last few years, India nevertheless tops the list of countries with missing people for DS- and DR-TB. The GAC said that the Government of India, in collaboration with development partners, needs to make an intensified effort if India is to achieve its targets related to the Sustainable Development Goals and the End TB Strategy.

The World Bank loan is expected to finance four priority areas: scaling up private sector engagement; scaling up patient management and support interventions; strengthening surveillance, diagnostics and treatment for multiple-drug-resistant TB; and strengthening management capacity and information systems. Table 1 below describes the expected results for each area.

Table 1: Priority areas and expected results of the World Bank loan

Priority areas	Expected results
Scaling up private sector engagement	• Increase in annual private-sector notification from the baseline of 263,549 to 800,000 • 61 percentage-point increase by the end of the loan disbursement period in the treatment success rate in patients notified by private providers
Scaling up patient management and support	• 59 and 60 percentage-points increase by the end of the loan disbursement period in the proportion of TB patients receiving financial incentives in the public and private sectors respectively
Strengthening surveillance, diagnostic and treatment of DR TB	• 30 percentage-point increase by the end of the loan disbursement period in the proportion of pulmonary TB patients with known Rifampicin susceptibility status
Strengthening management capacity and information systems	• Improved surveillance and prevention • Reductions in missing cases • Sustainable impact beyond the national TB program

Source: Global Fund Observer, from the Grant Approvals Committee report

The buy-down

The Global Fund Secretariat believes that the loan buy-down "is a strong example of country-led financial innovation that could change the trajectory of the TB burden in India."

The GAC said that the investment aligns with both the guiding principles of the Global Fund's Structured Approach for Innovative Finance (Board paper GF/B40/18) and the operational criteria that the Secretariat developed jointly with the Audit and Finance Committee to guide joint investments in blended finance. (The document describing the Framework for Investments in Blended Finance is an Audit and Finance Committee document and not in the public domain.)

The Global Fund contribution will be disbursed into a Single Donor Trust Fund administered by the World Bank in accordance with the terms of an administrative agreement signed by the two organizations in May.

> "This is a strong example of country-led financial innovation that could change the trajectory of [the] TB burden in India."
>
> – *GAC Report*

The GAC said that the buy-down will enable India to leverage increased resources from the International Bank for Reconstruction and Development (IBRD), a member institution of the World Bank, at a lower cost. This is because the Global Fund pays a contribution towards the partial payment of the principal of the loan, towards the prepayment premiums and some of the management and administrative activities of the bank.

The loan agreement between the World Bank and the Government of India is a result-based instrument, and the administrative agreement between the Global Fund and the World Bank references the results-based financing triggers included in the loan agreement.

The GAC said that the buy-down will create an incentive for the government to scale up TB services now and will allow the Global Fund to make inputs into the performance-based indicators for the World Bank loan, catalyzing the impact of its investment by a factor of 10 – – for every dollar the Fund invests, the program receives 10 dollars from the World Bank.

The agreement between the Global Fund and the World Bank provides for $1.0 million to cover the Bank's costs for administering the Single Donor Trust Fund. An additional $0.6 million is provided to cover the prepayment premiums arising out of the execution of each individual buy-down transaction (the buy-down of the principal will occur in tranches, aligned with each individual disbursement to India under the loan, rather than in a single transaction at the end of the loan period). The World Bank has waived its standard Trust Fund fees for these transactions.

> "For every dollar the Fund invests, the [TB] program receives 10 dollars from the World Bank.
>
> – *GAC Report*

The World Bank loan project is for five years, plus an 8-month period for final verification of results and disbursements of the loan amount. Although the three-year allocation utilization period for the India TB grant ends on 31 March 2021, and all funds will be disbursed by the Global Fund to the Trust Fund by that date, the agreement with the World Bank provides for continued engagement between the Bank and the Fund, and financial and programmatic reporting to be provided to the Fund, throughout the period of the loan.

OIG oversight

The Office of the Inspector General (OIG) will have only restricted access to the records of the World Bank related to this loan. The restrictions are similar to those which exist for U.N. entities that receive funds from the Global Fund (i.e. the 'single audit' principle). Because money from the Fund will not flow beyond the Bank, the Secretariat and the Board will be fully reliant on the Bank's own audit and investigation arrangements for financial assurance on the use of funds.

However, the Secretariat and the OIG will continue to have access to the national TB program's monitoring and evaluation systems under the existing TB grant, for which the principal recipient is the Government of India. Thus, the Fund will be able to independently verify any programmatic results reported under the India TB grant as well as under the World Bank loan.

Administrative agreement and other documents

The Administrative Agreement for the loan buy-down was undergoing internal clearance at the World Bank when the GAC report was published; the agreement was signed on 13 May 2019.

The Audit and Finance Committee (AFC) has endorsed a Structured Approach to Innovative Finance, a paper prepared for the 40th Board meeting in November 2018.

The GAC report lists several supporting documents that have been made available to the Board, including (a) a detailed analysis of the buy-down against the Innovative Finance Framework's guiding principles and operational considerations; and (b) a summary budget. These supporting documents have not been made public.

Further reading:

- *India Health Fund provides platform for domestic financing and innovation to combat TB and malaria*, GFO 352, 20 March 2019
- *Blended finance: A fresh breath of innovation for the Global Fund*, GFO 323, 8 November 2017
- *India plans to transition away from Global Fund Support over the next nine years*, GFO 332, 7 March 2018
- *Update on Innovative Finance*, paper prepared for the 39th Board meeting in May 2018.
- Structured approach for Innovative Financing, paper prepared for the 40th Board meeting in November 2018
- *The Global Fund opens consultations on innovative finance mechanisms*, GFO 339, 31 July 2018
- *The Global Fund explores the use of impact bonds and social success notes*, GFO 340, 21 August 2018
- *The Global Fund explores innovative finance instruments to help unlock financial flows from private and public sources*, GFO 341, 4 September 2018

Most of the information for this article was taken from Board Document GF/B40/ER09 ("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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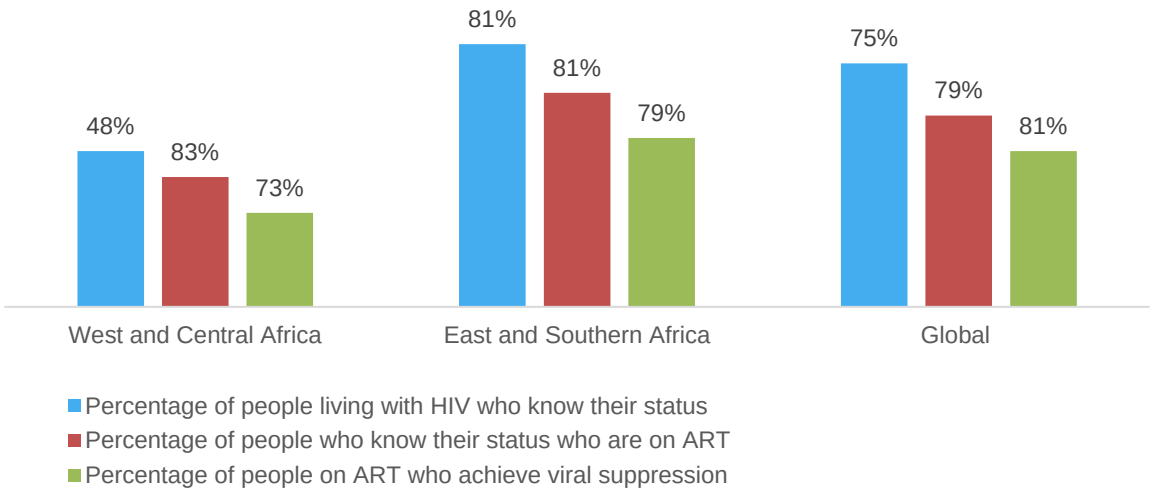
3. REPORT: Regional Community Treatment Observatory catalyzes Global Fund investments in West Africa

Community monitoring grant alleviates stock-outs and improves data quality

Gemma Oberth **25 June 2019**

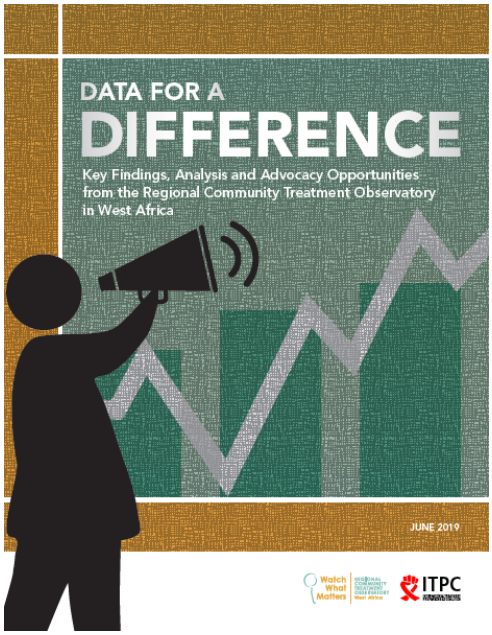
West and Central Africa is one of the most challenging regions for Global Fund grants. A recent Office of the Inspector General (OIG) advisory review found that weak health systems and insufficient monitoring are linked to low grant execution and slow progress against the diseases. UNAIDS data show the region is lagging far behind on HIV treatment targets (Figure 1).

Figure 1. Progress Towards The 90-90-90 Targets, by Region (UNAIDS, 2017)



The OIG review says there is limited granular data available to support decision-making at the regional level (see article in GFO 356). UNAIDS' West and Central Africa Catch-Up Plan calls for the establishment of community monitoring systems for commodity stocks, service fees and quality of care.

In January 2017, the Global Fund granted €3.6 million to the International Treatment Preparedness Coalition (ITPC) to implement a regional community treatment observatory in 11 West African countries (RCTO-WA): Benin, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Senegal, Sierra Leone, and Togo. The grant supports the national network of people living with HIV in each country to collect and analyze facility-level data along the HIV care continuum. It also supports data-driven advocacy at the national and regional level for improved service provision.



In a new report entitled 'Data for a Difference', ITPC shares key findings, analysis and advocacy opportunities emanating from the first year and a half of this grant's implementation.

Following intensive training of the national networks, the RCTO-WA conducted 538 monthly monitoring visits to 103 health facilities in the 11 focus countries between July 2017 and June 2018. The monitored facilities cater to more than 80,000 people on antiretroviral therapy (ART).

The RCTO-WA also conducted 279 key informant interviews and 110 focus group discussions with service providers and beneficiaries.

The results of the community monitoring are presented in the report using a 'Five A's' framework — availability, accessibility, acceptability, affordability and appropriateness.

Availability

With a great deal of variation between countries, the RCTO-WA documented stock-out frequency as 8.8% for HIV test kits, 23.4% for antiretroviral drugs (ARVs) and 17.2% for viral load lab supplies (such as reagents and consumables) (Table 1).

Table 2. Frequency of Recorded Stock-outs at RCTO-WA Health Facilities

Country	Stock-outs of HIV test kits	Stock-outs of ARVs	Stock-outs of viral load lab supplies
	Mean % of health facility visits when stock-outs were recorded (95% CI)		
All Countries	**8.8 (6.4-11.2)**	**23.4 (19.8-27.0)**	**17.2 (14.0-20.4)**
Benin	0.0 (0.0-0.0)	0.0 (0.0-0.0)	16.7 (0.0-38.7)
Côte d'Ivoire	2.9 (0.0-6.1)	13.3 (6.8-19.8)	0.0 (0.0-0.0)
Gambia	0.0 (0.0-0.0)	16.2 (7.4-24.9)	50.0 (38.0-62.0)
Ghana	2.6 (0.0-7.7)	10.3 (0.7-19.8)	0.0 (0.0-0.0)
Guinea	45.5 (32.2-58.7)	34.5 (21.9-47.2)	54.5 (41.2-67.8)
Guinea-Bissau	8.3 (0.0-24.7)	16.7 (0.0-38.7)	0.0 (0.0-0.0)
Liberia	5.3 (0.0-12.4)	47.4 (31.3-63.4)	7.9 (0.0-16.5)
Mali	16.7 (0.0-34.0)	22.2 (2.9-41.6)	5.6 (0.0-16.2)
Senegal	12.7 (3.9-21.5)	21.8 (10.9-32.8)	20.0 (9.4-30.6)
Sierra Leone	5.5 (0.8-10.2)	23.1 (14.4-31.7)	5.5 (0.8-10.2)

Togo	0.0 (0.0-0.0)	46.7 (32.0-61.4)	13.3 (3.4-23.3)

On average, ARV stock-outs lasted for 41 days. In the most extreme case, one health facility in Côte d'Ivoire had a Tenofovir and Lamivudine stock-out lasting nearly seven months. The regional community treatment observatory is working to alleviate such stock-outs. "At the Bethesda Hospital in Cotonou we noticed that the site had not been supplied with lab reagents for more than ten months," said Valentin Roch Houngbo, Coordinator of the Benin National Network of PLHIV (REBAP+). "We presented this data to the Deputy Coordinator of The National AIDS Control Program during one of our community consultative group meetings and a solution was found. At our next monitoring visit, the site was stocked."

Accessibility

While stock-outs are a major concern in the region, qualitative RCTO-WA data from key informant interviews and focus group discussions highlight long distances to health facilities as a key barrier to access for HIV testing services and ART (Figure 2 and Figure 3).

Figure 2. Reasons Given for Not Accessing HIV testing services (n=289)

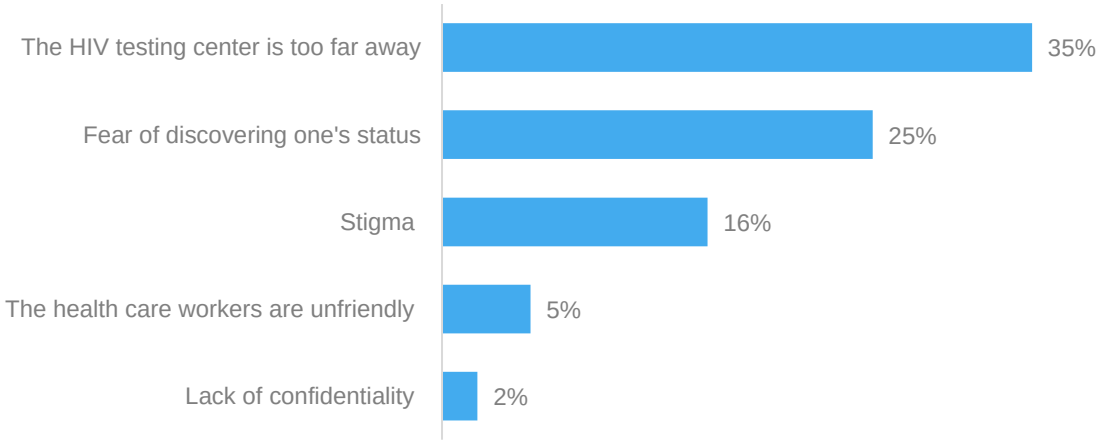
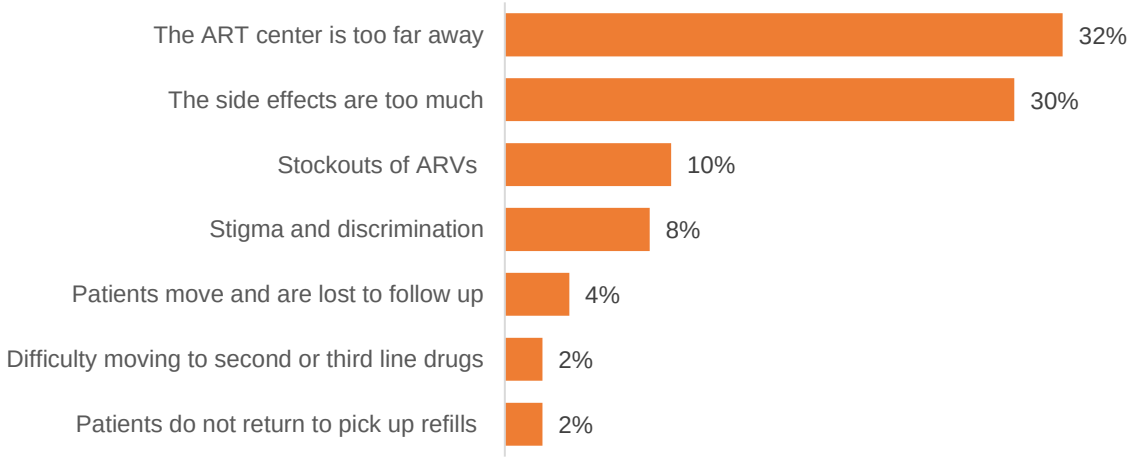


Figure 3. Reasons Given for Not Accessing ART (n=321)



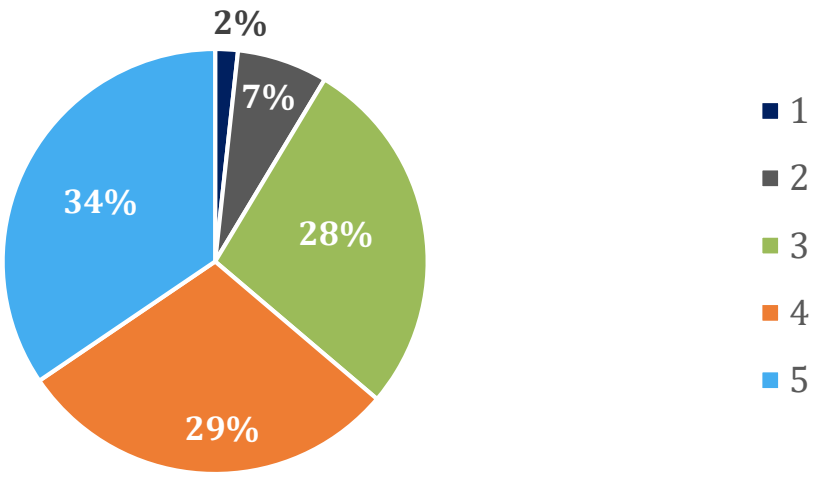
The RCTO-WA is using this data to advocate for differentiated service-delivery options, so that HIV testing services and ART can be made available at community level.
"On 4 March 2019, we presented our community monitoring data in the National HIV/AIDS Control Program conference hall, highlighting the low uptake of services, especially among key populations," said Martin Philip Ellie, the Program Manager at the Network of HIV Positives in Sierra Leone (NETHIPS). "Following our presentation, we secured a commitment from the government to develop a differentiated service-delivery policy for Sierra Leone. The policy was signed by government and the National AIDS Secretariat in May 2019."

Acceptability

ITPC's report points out that poor quality of care may be as critical as non-access to health services, citing a recent study. The RCTO-WA asks people to rate the quality of services they receive at the monitored health facilities on a scale of one (lowest) to five (highest).

One third of people consulted by the RCTO-WA rated the quality of services a 3 or less on a scale of 1 to 5 (Figure 4). Quality of care was rated lowest among men who have sex with men (3.16/5.00) and highest among pregnant women (4.00/5.00). Adolescent girls and young women age 15-24 years rated quality of care slightly lower than their male counterparts (3.73/5.00 vs. 3.86/5.00).

Figure 4. Average Quality of Care Rating (out of 5) at RCTO-WA Health Facilities (n=55)



The Gambia Network of AIDS Support Societies (GAMNASS) has used RCTO-WA data to secure a commitment from the National Assembly Health Select Committee to engage the Ministry of Health and National AIDS Secretariat on performance improvement plans for health facilities.

The Malian Network of People Living with HIV Associations (RMAP+) used RCTO-WA data to improve data quality and patient monitoring. During a recent monitoring visit to the Gabriel Touré University Teaching Hospital in Bamako, RMAP+ drew the attention of health

facility managers to data entry issues with viral load test results. Nurses now record viral load test results by individual patient, rather than clustering them by date.

According to Gavin Reid, a Technical Advisor in Community Systems and Responses at the Global Fund, community-based monitoring is an important priority for the Fund. "Communities and beneficiaries of services have an invaluable role to play in generating evidence on the availability, accessibility and quality of services," said Reid. "Using this data collected by the RCTO-WA to address bottlenecks in a timely manner is key to improving the responsiveness and effectiveness of HIV programs and realizing national and global targets."

Affordability

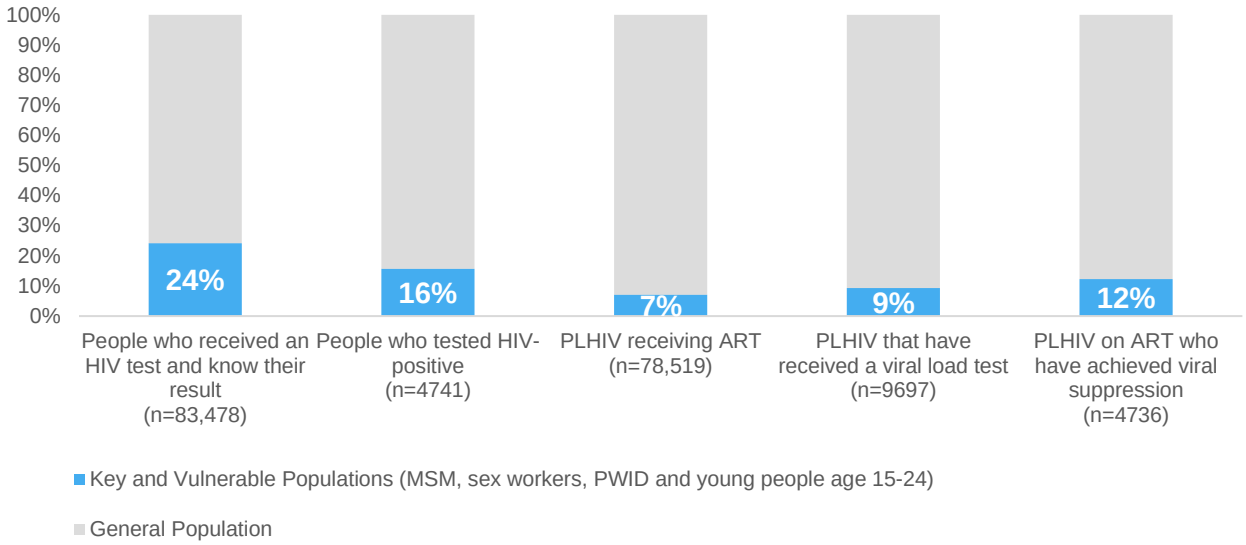
Despite high out-of-pocket payments for health in the region, less than 5% (n=334) of people consulted at RCTO-WA-monitored health facilities said that user fees are a major barrier to accessing services. The ITPC report concedes that this is a puzzling finding, endeavoring to explore the issue further in future monitoring visits.

Appropriateness

Lastly, RCTO-WA data sheds light on whether the health services provided at the monitored health facilities are targeted and tailored to key and vulnerable populations most in need. In spite of the commitment of countries in the Dakar Declaration to strengthen strategic information on key populations, just 38 out of 103 (37%) RCTO-WA health facilities report data for at least one key population.

Where data is reported, RCTO-WA analysis shows a distinct linkage-to-care issue for key populations. Men who have sex with men, sex workers, people who inject drugs and young people (age 15-24 years) make up 16% of people who test HIV-positive, but only 7% of people on ART, at RCTO-WA facilities (Figure 5).

Figure 5. Key and Vulnerable Populations Reached Along the Cascade at RCTO-WA Facilities



The National Network of Persons Living with HIV in Ghana (NAP+) has used RCTO-WA data to open up dialogues with Imams, women's groups and chiefs in Tamale, discussing ways of addressing human rights and gender-related barriers to access for key populations.

Implementation Challenges

Managing a grant of this size and scope is not without its difficulties. "The differences in geographic coverage of country activities and the varying capacities of the national networks presented challenges," said Alain Manouan, ITPC's Community Treatment Monitoring Project Director. "We innovated by classifying the national monitoring activities into tiers," Manouan continued. "Some were in progress, some at district-level, and others at the national-level. This allowed us to be more efficient with our support to our sub-recipients."

ITPC's regional office for West Africa, based in Côte d'Ivoire, performs quarterly quality assurance checks in each of the 11 countries, overseeing data collection, checking data accuracy and supporting data analysis and advocacy planning. This is both time consuming and costly, but ultimately necessary for the grant's success.

"It is important that people know they can trust community data," said Solange Baptiste, ITPC's Executive Director. "The rigor we employ in verifying the data we collect is the reason our advocacy is taken seriously at national, regional and global levels."

Priorities for the way forward

The report closes with a data-driven advocacy plan, set by the RCTO-WA's Regional Advisory Board (RAB) during its October 2018 meeting in Abidjan, Côte d'Ivoire.

Currently, the top advocacy priorities for ITPC and its partners are to:

- Expand the availability of non-facility-based HIV testing options, including community-led and community-based HIV testing services
- Improve communication along the supply chain to prevent stock-outs of antiretrovirals
- Increase funding to ensure the availability of adequate viral-load testing machines and laboratory supplies.

"Differentiated service-delivery approaches have emanated from RCTO-WA's advocacy," said Sonia Florisse, the Fund Portfolio Manager for ITPC's grant at the Global Fund. Florisse noted that the 11 national networks supported through the grant have been pushing for greater accessibility and community-based services. "Everywhere, Global Fund HIV grants are now supporting the implementation of these differentiated approaches. In this way, the ITPC grant has been catalytic for Global Fund investment in the countries covered," she said.

The RCTO-WA's community monitoring activities are ongoing through June 2019, after which ITPC will release a second advocacy report. ITPC is also gearing up to host a community treatment observatory learning event in October 2019 in Abidjan, sharing lessons from the grant and building capacity of others to roll-out ITPC's model. "Ultimately, what we have been able to accomplish during this grant is a community oversight mechanism that produces quality data for targeted action," says Baptiste. "This means that any community in any part of the world can adapt this model for any issue that they see fit."

The results in Côte d'Ivoire have encouraged PEPFAR to include funding in its 2019 Country Operational Plan to continue the community treatment observatory work.

With the 2020-2022 Global Fund funding cycle fast approaching, further opportunities to sustain the gains and scale-up ITPC's model are on the table. "The examples of the networks being able to convince national programs to change HIV provider practices are extremely powerful," said Florisse. "They might look like baby steps, but they are advancing patients' rights and ultimately human rights."

Further reading:

- *The full ITPC report, 'Data for a Difference: Key Findings, Analysis and Advocacy Opportunities from the Regional Community Treatment Observatory in West Africa'*
- *The summary ITPC report, 'Regional Community Treatment Observatory West Africa Fact Sheet'*

Gemma Oberth is an independent consultant and the lead author of the ITPC report. Oberth also consults directly with the Global Fund, supporting the Community, Rights and Gender Strategic Initiative. This was declared to Aidspan and was not considered a conflict of interest in light of the authors' unpaid contribution to the GFO in order to share the ITPC report findings.

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TOP

4. ANALYSIS: Global Fund programs grapple with challenging monetary environment in Zimbabwe

Global Fund grants struggle in context of de-dollarization reforms

Samuel Muniu and Djesika Amendah **26 June 2019**

Zimbabwe introduced recent reforms in monetary policy aiming to reduce the country's reliance on the US dollar and other foreign currencies, and make its own currency, the bond note, the legal tender and main means of exchange. These reforms, begun in October 2018, have negatively affected the Global Fund's grants in Zimbabwe. The reforms have led to delayed implementation, financial and accounting challenges, lower healthcare-worker morale, and a reduced ability on the part of the state to procure ARVs, among other negative consequences, according to a new Aidspan analysis from which this article is drawn.

Data for the analysis came from a review of Zimbabwe's funding request to the Global Fund, the Zimbabwe government's monetary policies, and interviews with personnel of Principal Recipients (PRs), Global Fund grant implementers, the Global Fund Secretariat, and civil society. The interviews were conducted between the end of May and early June.

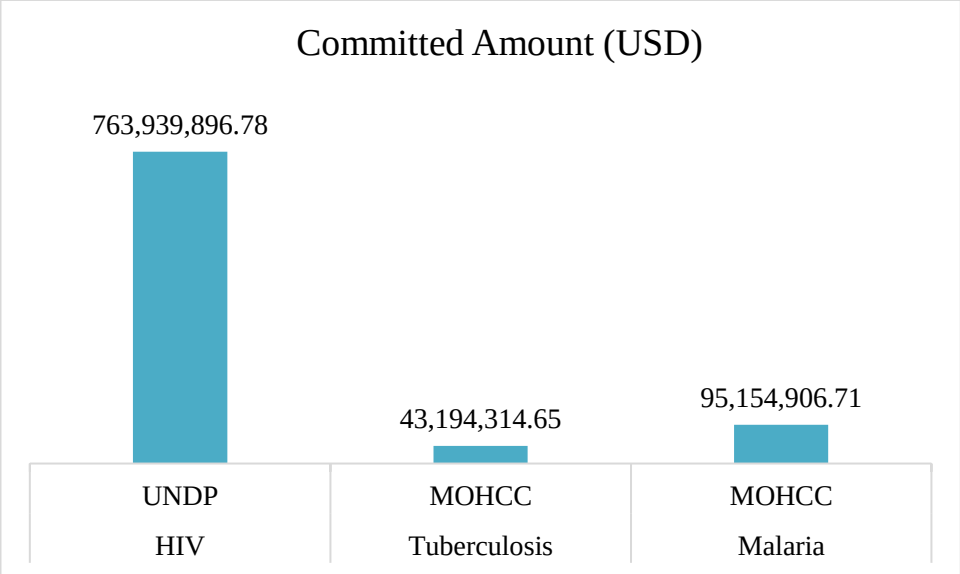
Zimbabwe, a land-locked southern African country, abandoned its previous currency, the Zimbabwe dollar, in April 2009 after the country recorded the highest hyperinflation in recent history: the Zimbabwe dollar lost 79.6 billion percent of its value at the peak of the hyperinflation episode in 2008 (this hyperinflation followed a land reform aiming to redistribute agricultural land from the minority white Zimbabweans). The country adopted the US dollar and other currencies as a means of payment, which stabilized the economy but led to a loss of competitiveness of locally produced products. In 2016, Zimbabwe introduced the bond note, a quasi-currency then used only for national transactions, into its economy, to make up for a US dollar shortage, as a result of US currency leaving the country in the form of payment for exports. These bond notes were issued at par with the US dollar.

Figure 1: Zimbabwe's location within Africa

Zimbabwe HIV, TB and malaria profiles and monetary policy

Zimbabwe has one of the highest HIV prevalence rates in Africa, at 13.3% among adults, and is among the 30 countries in the world with the highest rates of tuberculosis, according to UNAIDS and WHO. In 2017, Zimbabwe's TB incidence was high, at 221 new cases, when compared to the global rate of 133 new cases, for every 100,000 people. During the rainy season, almost half of Zimbabweans are at risk of contracting malaria. It is on this basis that the Global Fund to Fight AIDS, Tuberculosis and Malaria has been offering Zimbabwe support to fight these three diseases since 2003. The Global Fund allocated $500 million to Zimbabwe to fight HIV, TB and malaria during the 2018–2020 implementation period. The largest proportion of the funding was for HIV (85%), with 10% for malaria programs and 5% for TB.

Figure 2: Currently active Global Fund grants in Zimbabwe



On 1 October 2018, in a move to "de-dollarize" the economy, the Reserve Bank of Zimbabwe (RBZ) directed retail banks to separate foreign currency accounts into two categories; foreign currency transaction accounts, referred to as Nostro, and local currency transaction accounts denominated in bond notes, dubbed Real Time Gross Settlement (RTGS).

The RBZ decision set a fixed exchange rate of 1:1 between the US dollar and the bond note. But due to Zimbabweans' lack of confidence in the bond note, its value depreciated and was exchanged on the black market at 1:4. The RBZ did not provide an interbank mechanism for foreign currency transfers among banks, making it impossible to make payments in foreign currency.

In February 2019, acknowledging the difficulties in the economy, the RBZ introduced the interbank foreign exchange (providing a mechanism for foreign-currency transfers among

banks), and allowed market forces to determine the exchange rate of the local currency (since February 2019 referred as the RTGS dollar) to US dollar and other foreign currencies. As of 29 May 2019, the exchange rate of the RTGS dollar to the US dollar was 1:8 on the black market.

Delayed Global Fund grant implementation

The new monetary policy announced on 1 October 2018 in Zimbabwe slowed down Global Fund grant implementation due to various challenges in paying for goods and services, according to Aidspan's interviewees. First, the transfer of foreign currency between banks was not possible, due to the absence (at that time) of a framework for interbank transfers in foreign currency. When payments were made in US dollars from the originator bank, receivers in another bank were paid with bond notes. However, service providers and suppliers were unwilling to accept payments in bond notes that had a lower value on the black market; they preferred US dollars, whose access was restricted.

Increased transaction costs

As part of its monetary policy reform, Zimbabwe introduced a 2% tax on all electronic transactions on 1 October 2018. That tax applied also to Global Fund grant implementers, with the exception of UNDP, the Principal Recipient (PR) for the Global Fund's HIV grant in Zimbabwe, due to its UN privileges and immunities. For Global Fund grants, at country level, PRs implement Global Fund grants in a 'trickle-down' structure through other organizations, which act as 'sub-recipients' or 'sub-sub-recipients'. Due to the new Zimbabwe monetary policy, cascading the funds down the hierarchical levels, from the PRs to smaller organizations, attracted the 2% tax at each level. Those transaction taxes decreased the final amount of Global Fund resources available for HIV, TB and malaria programs in Zimbabwe. The UNDP engaged the authorities in Zimbabwe on this issue, and they agreed in March 2019 to exempt Global Fund monies from this tax, and to refund the amount already paid in tax.

Other financial and accounting challenges

In Zimbabwe, after the implementation of the new monetary policy, the official and black market exchange rates differed significantly, with the black market exchange always higher than the official rate. This difference in exchange rate and the depreciation of local currency contributed to different pricing of goods and services depending on the suppliers' preferred currency, creating a discrepancy between the grant-budgeted and quoted unit cost. Such variance in prices generates accountability challenges because the prices of goods and services vary depending on the quoted currency. Worse, goods and services quoted in local currency were more expensive to the grants because of the obligation to use the official exchange rate set by the RBZ. "Value for money" became difficult to establish.

Impact on healthcare-workers' morale

Following the Zimbabwe government's challenge to pay health workers salaries at the peak of hyperinflation in 2008, the Global Fund, together with the government and other development partners, set up the Harmonised Health Worker Retention Scheme (HHWRS), to combat health-worker migration to other countries. The retention scheme provided monthly top-up allowances to health workers.

Since then, the Global Fund grants in Zimbabwe have been providing top-up allowances to healthcare workers involved in service delivery, in order to incentivize and retain the health workforce. The monetary reforms required that local payments be made in local currency, although healthcare workers preferred payments in US dollars. Payments of top-up allowances were therefore delayed to the more than 24,000 healthcare workers from the Global Fund grants, lowering workers' morale and damaging their ability to deliver services, according to our interviewees. Eventually, the authorities relented and accepted that healthcare workers' payments be made in US dollars.

State's inability to procure ARVs

As part of its co-financing commitment to the Global Fund, Zimbabwe committed to procure 20% of the ARVs it needed using domestic resources obtained through the AIDS levy, an innovative fund that is regarded as an international best practice to increase domestic financing for HIV programs. Formal employers and their employees contribute 3% of their profits and income, respectively, to the AIDS levy, which is managed by the National AIDS Council (NAC).

The AIDS levy collection is now in RTGS dollars, the local currency, while the NAC needs US dollars to procure ARVs. Since the NAC has limited access to US dollars, Zimbabwe has not yet honored its commitment to procure its share of ARVs. In addition, the amount collected as the AIDS levy has depreciated over time (given the US dollar-to-RTGS dollar depreciation) and so cannot buy drugs to the same value as projected before the depreciation. Moreover, the amount collected as the AIDS levy is lower in absolute terms due to the pro-cyclical nature of this tax: in other words, when the economy is performing well (increased employment and profit for firms), the AIDS levy revenue is higher, and vice versa. As Zimbabwe is going through an economic contraction since 2015, due to drought and a fall in commodity prices, the amount collected as the AIDS levy is predictably lower. To avoid stockouts and treatment disruption for the 1.1 million people who are on treatment, the NAC requested UNDP to procure more ARVs using Global Fund resources.

Despite the current inability to procure ARVs using RTGS dollars from the AIDS levy, Zimbabwe is still committed to meeting its co-financing commitments, according to Major General Dr Gerald Gwinji, the former Permanent Secretary of the Ministry of Health and Child Care (MOHCC). The country is considering swapping its co-financing commitment, which needs foreign currency, with other HIV-related activities that are payable with local currency.

Expanding UNDP's role

Since 2009, the Global Fund has placed Zimbabwe under the additional safeguard policy (ASP) with UNDP as the Principal Recipient. During the 2015-2017 implementation period, the MOHCC became the PR for the Global Fund's TB and malaria grants while UNDP remained the PR for the much larger HIV grant. UNDP also remained fund administrator for the MOHCC. The monetary policy reforms reduced the ability of the MOHCC to procure health products due to limited access to foreign currency. To overcome this challenge, UNDP's role was expanded to include procurement of health commodities at the expense of the MOHCC. The monetary policy did not affect procurement of HIV and TB health products obtained through the Global Fund Pooled Procurement Mechanism (PPM) and the Global Drug Facility (GDF), respectively.

Conclusion

Because the change in monetary policy negatively affected Global Fund grant implementation in Zimbabwe, programs supported by the Global Fund in Zimbabwe are at risk of delayed implementation, unless implementers put in place plans to accelerate program implementation.

Editor's note: *As the GFO was going to press with this edition, news reports announced President Emmerson Mnangagwa's outlawing the use of foreign currencies, as of 24 June 2019. The RTGS will now be the sole legal tender in the country. Zimbabwe intends to introduce its own, new currency by March 2020. In May 2019, Zimbabwe agreed on measures to re-engage with the International Monetary Fund for the first time in almost ten years. To this end, the IMF will assess Zimbabwe's economic progress in January 2020.*

Further reading:

- *Aidspan 2019 analysis: 'Global Fund Programs in Challenging Monetary Environments: Example of Zimbabwe'*
- *UNAIDS (2018). UNAIDS data 2018. Geneva, Switzerland. Retrieved from https://www.unaids.org/sites/default/files/media_asset/unaids-data-2018_en.pdf*
- *WHO (2018). Global Tuberculosis Report 2018 Retrieved from http://apps.who.int/iris/bitstream/handle/10665/274453/9789241565646-eng.pdf?ua=1*
- *President's Malaria Initiative (2018) . Zimbabwe Malaria Operational Plan. Retrieved from https://www.pmi.gov/docs/default-source/default-document-library/malaria-operational-plans/fy-2018/fy-2018-zimbabwe-malaria-operational-plan.pdf?sfvrsn=7*
- *Hanke, S. H. & Kwok, A. K. (2009). On the measurement of Zimbabwe's hyperinflation. Cato Journal;29(2):353*
- Reserve Bank of Zimbabwe (2018). Strengthening the Multi-Currency System for Value Preservation & Price Stability. *Retrieved from* https://www.rbz.co.zw/documents/mps/mpsOct2018.pdf
- *Reserve Bank of Zimbabwe (2019). Establishment of an Inter-Bank Foreign Exchange Market to Restore Competitiveness. Retrieved from https://www.rbz.co.zw/documents/mps/mpsfeb2019.pdf*

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5. FEATURE: Global Fund's new Data Explorer aims to tell a story through data

Online since April, the Data Explorer links information on Global Fund grants and results, while offering new ways to refine and visualize information

Andrew Green **25 June 2019**

With the April launch of the Data Explorer, the Global Fund has created a new portal weaving together data on its investments and the results of that funding, and offering users a variety of entry points to refine that information and to visualize the results. Global Fund staff said the Data Explorer will eventually grow to link the information that was already housed in the Grant Portfolio to data on donor investments in the Fund and the impact those investments are ultimately having.

This represents a shift from the Grant Portfolio, which embedded data within a format that emphasized documents and storytelling, but limited data interactivity. The Grant Portfolio is scheduled to go offline this month, though all of the information that it offered is now available in the Data Explorer.

"We wanted to focus purely on the data," John Busch, the Global Fund Secretariat's Senior Digital Manager, told the GFO. "Not just providing a dashboard, but the story of what the data is telling us. We wanted a data-driven communications experience."

The new portal allows users to quickly filter information by location, component, partner type and grant status. It also highlights pertinent results and identifies relevant documents. Where the entry points for the Grant Portfolio were lists of individual grants that linked to relevant documents and information on the grant's performance, the Data Explorer launches with a map that allows the user to drill down into specific grants. The Data Explorer also allows the user to see dynamic results that combine information from different grants, whereas the Grant Portfolio generated static results.

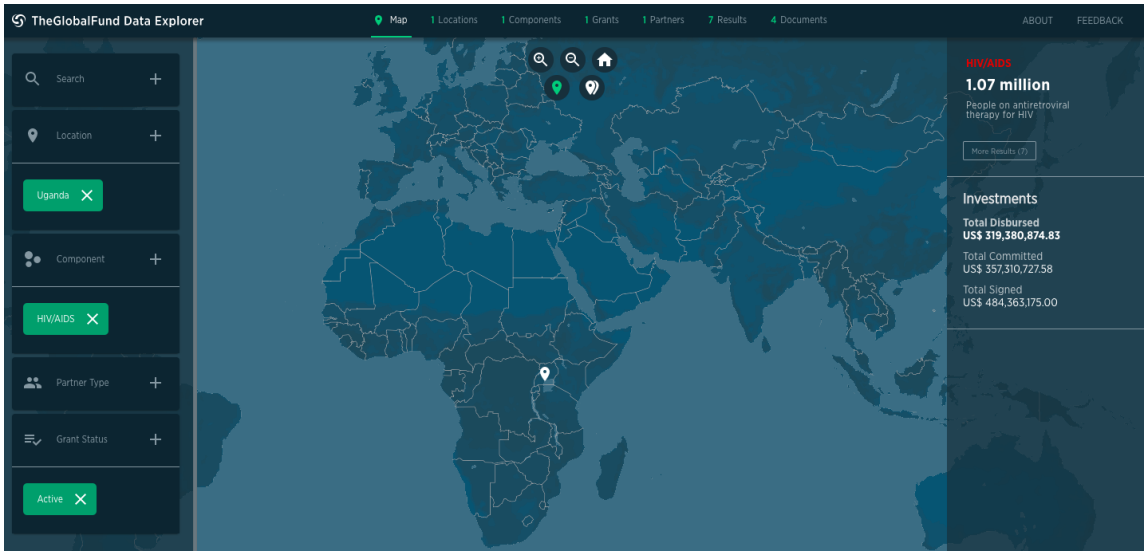

Figure 1: Screenshot taken from Data Explorer search on Uganda HIV/AIDS grants

The Data Explorer project began in 2017, Busch said. It had become increasingly clear that, as the Global Fund had continued to accumulate data, it had outgrown the Grant Portfolio interface. And the Secretariat had received feedback from people using the data that they wanted easier access to a broader range of information, he said.

"There are multiple facets we needed to be able to splice and dice," Murad Hirji, the Senior Digital Architect in the Global Fund Secretariat, told the GFO. "It was just not feasible in the structure that the website had." The team began by conducting interviews with more than 30 users and put together a development plan based on the most highly-rated needs of those users, with an eye toward expanding over time, to introduce more data and more ways to break down that information.

The Data Explorer will allow the team to layer in additional information that was not available on the old website, including donor investments in the Global Fund, even as the data on Global Fund grants and programmatic results continue to expand.

"Overall, I think one of the beautiful features is that it is scalable," Busch said. "We tried to think of what the story's supposed to be. To think of what data will be available. And then we can start adding components to it."

In its current iteration, the Data Explorer is focused on showcasing available grant and results information. A search for active HIV/AIDS grants in Uganda, for instance, returns one result, which a user can click on to look at investments over the grant life cycle and the performance rating. It also shows seven data indicators, including the number of people on antiretroviral therapy and the number of HIV tests. There are also four linked proposal documents.

One regular user of data through the Grant Portfolio told GFO she experienced some difficulty in accessing documents through the Data Explorer. Her experience was that relevant grant documents did not seem intuitively linked to the grant entry, itself, and she was ultimately unable to locate them.

The developers behind the Data Explorer said that it is still a work in progress and they continue to solicit feedback through the portal. They have already released one round of updates, which included multi-country grants and an improved filter search. A new section on pledges and contributions to the Global Fund should be available ahead of the October Replenishment Conference in Lyon, France. And Busch said they are also working to make the data on results more visually appealing and interactive than "just having tables of data."

Ultimately, Busch said, they want to develop a platform that clearly and easily links relevant data across four pillars: from donor investments in the Global Fund to programmatic investments to results and, eventually, to impact. There are also plans to make the platform open source, so that people outside the Global Fund might be able to help develop the Data Explorer further.

He can even envision a situation where the Data Explorer grows to include information from partner organizations, like the President's Emergency Plan for AIDS Relief, Busch said. That would allow them to tell a data story, he said, "that is a little more complete," when it comes to detailing investments and results. This would seem to dovetail with the Global Fund's new reporting methodology, in which national results feature more prominently than before. The previous methodology offered a mixture of individual program and national results.

Further reading:

- *An article from GFO that includes information on the Data Explorer's launch*
- *The Global Fund's announcement of the Data Explorer's launch*
- *The Global Fund's announcement of enhancements to the Data Explorer*
- *An article from GFO on the Global Fund's new reporting methodology*

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6. OF INTEREST: Other news relating to the Global Fund partnership

Sir Elton John joins Replenishment appeal, Japan's Replenishment pledge, #FillUpTheFund campaign launch, Botswana's landmark ruling on LGBT rights, South Africa's 'human rights' plan for TB and HIV

Adèle Sulcas **25 June 2019**

Sir Elton John joins President Emmanuel Macron in calling for a $14-billion Global Fund Replenishment

On 21 June, the Global Fund issued a news release featuring Sir Elton John joining French President Emmanuel Macron's call for the world to raise $14 billion for the Global Fund's

next Replenishment, whose pledging conference France will host in the city of Lyon in October 2019. The joint call was made at the same time as President Macron bestowed France's highest award, the Légion d'Honneur, on Sir Elton, for his lifetime contribution to the arts and to the fight against HIV. The Global Fund quoted Sir Elton saying that incredible progress has been made in the fight against HIV/AIDS, but that "we cannot become complacent," and that "a fully replenished Global Fund is essential if we are going to consign this disease to history." Sir Elton established the Elton John AIDS Foundation in 1993, to provide treatment, care and support for people living with HIV, and it has become a Global Fund partner.

Read the Global Fund's full news release ….

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Japan commits to 'saving one million lives' with Replenishment pledge

On 21 June 2019, Japan's Prime Minister Shinzo Abe announced an $840-million pledge to the Global Fund at Japan's Sustainable Development Goals Promotion Headquarters, for the next three-year funding period. This sum, a 5% increase over Japan's contribution for the previous period, will contribute to saving one million lives (as part of the Global Fund Investment Case goal to save 16 million lives). Japan has been a strong supporter of the Global Fund since its introduction of infectious diseases to the G8 Kyushu-Okinawa summit's agenda in 2000, which was one element leading to the creation of the Global Fund in 2002. Japan is the fifth-largest contributor overall to the Global Fund.

Read the Global Fund's news release on Japan's pledge…

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'Fill Up the Fund' campaign launches in Germany and online

The German-led 'Fill Up the Fund' campaign has officially launched, to support the Global Fund's Sixth Replenishment. The joint campaign involves nine NGOs: Deutsche Stiftung Weltbevölkerung (DSW), Aktionsbündnis gegen Aids, Freunde des Globalen Fonds Europa, Global Citizen, Kindernothilfe, ONE, Oxfam, Plan International and World Vision. The campaign's most important element is a set of videos created with politicians and influencers, in support of the Global Fund. Twelve videos have been made so far – including the likes of German Federal Minister of Economic Cooperation and Development Heidemarie Wieczorek-Zeul and Alliance 90/Green Party member Kordula Schulz-Asche – and they can be viewed on the campaign website, fillupthefund.de. The site is only in German language, as the campaign is aimed mainly at German MPs and the German public, DSW senior advocacy officer Katja Tielemann-Ruderer told the GFO.

Go to the #FillUptheFund website…

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Botswana decriminalizes homosexuality

On June 11, Botswana's High Court declared as unconstitutional colonial-era legal provisions that criminalized homosexuality. The court's decision was unanimous, finding that the "sodomy laws" violated privacy, were discriminatory and served no public interest. The New York Times quoted Judge Michael Leburu saying, "Human dignity is harmed when minority groups are marginalized." The Global Fund issued a press release applauding the decision. A representative of the Botswana Network on Ethics, Law and HIV/AIDS said that evidence from key population programming, among other strategic interventions, had made a significant difference in building the case that led to this court decision, after an anonymous plaintiff challenged the laws in 2018.

Read the full news release from the Global Fund…
Read the news articles from the New York Times, the Guardian and Al Jazeera…

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South Africa's 'human rights' plan for HIV and TB

The South African National AIDS Council launched a three-year plan to tackle gender inequality and human-rights-related barriers to HIV and TB health services in the country, on June 12, just before the launch of the 9th South Africa AIDS Conference in Durban. The plan, which supports South Africa's National Strategic Plan for HIV, TB and Sexually Transmitted infections, recognizes the ongoing gaps in reaching the most affected populations, the Global Fund press release said. It will focus on eliminating stigma and discrimination associated with HIV and TB. The plan was launched by Health Minister Zweli Mkhize at Gugu Dlamini Park, named after a young woman who was stoned to death in December 1998 after disclosing her HIV-positive status. The minister referred to South Africa's 2014 Stigma Survey Index which showed that the worst forms of stigma come from family members, communities, and civil servants.

Read the Global Fund's full news release…
Read the news release from the South African Government News Agency…

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This is issue #359 of the GLOBAL FUND OBSERVER (GFO) Newsletter. Please send all suggestions for news items, commentaries or any other feedback to the GFO Acting Editor at adele.sulcas@aidspan.org. For issues relating to Francophone countries or the French edition of the GFO, the Observateur du Fonds Mondial (OFM), please contact OFM Editor Christelle Boulanger at christelle.boulanger@aidspan.org. To subscribe to GFO/OFM, go to www.aidspan.org.

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