

Subject: **2020-2022 ALLOCATION LETTER**¹

Geneva, 13 December 2019

Dear Ms. Joukava,

For the past 17 years the Global Fund has worked with partners around the world to fight AIDS, tuberculosis (TB) and malaria and strengthen health systems. Together, we can recognize and applaud the massive progress made, and we can share collective determination to accelerate efforts to end these epidemics and ensure better health and wellbeing for all by 2030. We know it is within reach, but with 11 years left, we have no time to waste. We must step up the fight, through increased innovation and collaboration and improved execution to address some of the major challenges.

It is essential that we focus on reducing incidence and scaling-up effective prevention efforts, invest in strengthening both health and community systems, prioritize our investments with key and vulnerable populations, and ensure we tackle human rights-related barriers to health and gender inequalities. We also need to ensure sustainability of the success we achieve, including working together to mobilize increased national resources for health. The Technical Review Panel (TRP) that assesses funding requests to the Global Fund has underlined these areas in depth in its Observations Report² and these focus areas are consistent with updated Global Fund guidance, available in Information Notes and Technical Briefs³. We encourage you and all those involved in the preparation of the funding request to read these carefully.

Belarus allocation

Based on the Global Fund Board's decision in November 2019 on the funding available for the 2020-2022 allocation period, **Belarus has been allocated US\$20,839,591 for HIV, tuberculosis and building resilient and sustainable systems for health (RSSH)**. The allocation amounts for all countries have been determined according to a methodology approved by the Global Fund Board, primarily based on disease burden and income level. Belarus is classified as an upper middle-income country⁴.

Table 1: Summary of allocation

Eligible disease component	Allocation (US\$)	Allocation Utilization Period
HIV	12,221,135	1 January 2022 to 31 December 2024
Tuberculosis	8,618,456	1 January 2022 to 31 December 2024
Total	20,839,591	

Application approach. Belarus is requested to submit its application for funding using the Tailored for Focused Portfolios funding request. A complete set of application materials will be shared by the Global Fund country team. All funding requests are required to be developed

¹ This letter includes annexes and links, which should be read together and in-full.

² <https://www.theglobalfund.org/en/technical-review-panel/reports/>

³ <https://www.theglobalfund.org/en/funding-model/applying/resources/>. Each of the four Core Information Notes include a short executive summary.

⁴ Determined from gross national income (GNI) per capita using the World Bank income group thresholds for 2019.

through inclusive and transparent country dialogue with a broad range of stakeholders including key and vulnerable populations.

Timing. The allocation agreed for each disease component can be used during the relevant allocation utilization period indicated in Table 1 (above). Any remaining funds from a previous allocation, unused by the start of the indicated allocation utilization period, will not be additional to the allocation amount⁵.

Implementation. The Global Fund recognizes the value of efficient implementation and encourages Belarus to continue the Global Fund grant implementation through the streamlined and consolidated implementation arrangements for the coming allocation period.

Program split. The Global Fund has proposed an indicative split of funds across eligible disease components in Table 1 (please see above). However, the Country Coordinating Mechanism (CCM) has the responsibility to assess and propose the best use of funds across these disease components and related investments in the health system. Applicants can choose to accept the Global Fund split or propose a revised one based on a data-based analysis of programmatic gaps and in consideration of the funding needed to maintain essential programming. The Global Fund will carefully review the justification for any program split change.

Aims of allocation. The funding request submitted to the Global Fund should be aligned with prioritized country needs and guided by relevant National Strategic Plans and program reviews. In addition, the Global Fund would like to take this opportunity to share the following for your consideration during the development of the funding request:

- The HIV allocation for Belarus has been adjusted upwards (from the allocation formula amount that primarily considers disease burden and income level), to better account for key and vulnerable population burden and needs. The Global Fund expects funds to be directed towards evidence-based programs for key and vulnerable populations, as per technical partner guidance, and aligned with the epidemiological context in Belarus.
- The allocation for the TB component has been adjusted upwards (from the allocation formula amount that primarily considers disease burden and income level) to accommodate for the continuation of essential programming funded by the Global Fund in the 2017-2019 allocation period. If the TB component's allocation is decreased through a program split change, the Global Fund will expect Belarus to provide evidence that essential programming for the TB component will be sufficiently financed.
- The Global Fund encourages the accelerated transition to all-oral treatment regimens for drug-resistant TB as recommended by World Health Organization.

Importance of investments in health and community systems. The Global Fund encourages applicants to invest in strengthening health and community systems as these are essential to accelerate progress towards ending the epidemics. The Global Fund welcomes (i) initiatives to introduce and strengthen integrated care from a patient perspective (including addressing co-infections or providing coherent care packages such as integrated ante-natal services), as well as (ii) investments in underlying system capacities necessary to achieve impact and sustainability (including labs, supply chains, data systems, community-based monitoring, community mobilization, advocacy and organizational development, and human resources for health at the community and facility level). To achieve greater value for money and effectiveness, the Global Fund encourages applicants to explore opportunities for integration across the two diseases and within broader systems for health wherever possible. Tracking improvements in results requires

⁵ Any extension of an existing grant will be deducted from the subsequent allocation utilization period, both in terms of time and funds used during the extension period.

robust measurement and the Global Fund anticipates that applicants will invest appropriately to strengthen data collection and use. More guidance is available in the RSSH Information Note and Community Systems Strengthening technical brief on the Global Fund website⁶.

Importance of investments in human rights and gender. Removing human rights and gender-related barriers in access to services is critical to ending the epidemics. When unaddressed these barriers undermine effective and impactful responses and limit sustainable progress. Detailed guidance on effective investments in programs and approaches that address human rights and gender-related barriers, including key interventions for incorporation into funding requests, can be found in the technical briefs on the Global Fund website⁷.

Importance of increasing domestic resources. Increasing domestic resources for health, and specifically for HIV and TB, is essential to end the epidemics and strengthen the health systems that are the foundation of the disease response. Accessing the 2020-2022 allocation is dependent on meeting the Global Fund's co-financing requirements. All countries are expected to (i) progressively increase overall health spending in accordance with recognized international declarations and national strategies and (ii) progressively take on key program costs, including those currently financed by the Global Fund. In addition, 20% of Belarus's allocation is a co-financing incentive, accessible only when Belarus makes and realizes additional domestic commitments targeted as per the requirements of the Sustainability, Transition, and Co-Financing (STC) policy⁸. Further details about co-financing requirements and the co-financing incentive are included in Annex A.

Opportunities for funding beyond the allocation amount

Belarus is eligible for additional **catalytic matching funds** beyond the allocation amount. US\$1,000,000 may be accessed for HIV Prevention programming in the following priority area: Scaling Up Community-Led Key Population Programs. The applicant will need to submit an integrated funding request including interventions for both the total matching fund amount as well as the matched allocation amount. Further details are included in Annex B.

Unfunded quality demand. The Global Fund requests that all applicants develop a Prioritized Above Allocation Request (PAAR) and submit this along with the allocation funding request. Interventions from the PAAR that the TRP considers quality demand will be listed on the Register of Unfunded Quality Demand (UQD). In the 2017-2019 allocation period, over US\$1.2 billion of unfunded quality demand was funded, through savings and efficiencies identified in grant-making and/or implementation, portfolio optimization, private sector investments and Debt2Health debt swaps. Submitting a robust PAAR is an essential step to accessing funding beyond the allocation amount.

I thank you for your efforts in the global fight against HIV and TB.

Sincerely,



Mark Eldon-Edington
Division Head, Grant Management

⁶ <https://www.theglobalfund.org/en/funding-model/applying/resources/>

⁷ <https://www.theglobalfund.org/en/funding-model/applying/resources/>

⁸ https://www.theglobalfund.org/media/4221/bm35_04-sustainabilitytransitionandcofinancing_policy_en.pdf

Annex A: Supplementary information for Belarus

Currency. The allocation for Belarus is denominated in US dollar. If you would like to change currency to better match your country's financial and monetary context, notify your Fund Portfolio Manager by 15 February 2020. Global Fund allocations can only be denominated in US dollar or euro.

Value for money procurement. To maximize the impact of allocations, the Global Fund will not finance commodities purchased at a price higher than the reference price for such commodities, where one exists. Please consult the Global Fund website for a consolidated reference price list⁹. The reference price is set based on the globally negotiated price for specific health and non-health products either via the Pooled Procurement Mechanism (e.g. through wambo.org) or through partner platforms such as Stop TB Partnership's Global Drug Facility. If the outcomes of a procurement process for products meeting the relevant clinical and quality standards result in selecting a supplier of commodities with a price higher than the relevant reference price – taking the Total Cost of Ownership into consideration– national or other resources must be used to pay the difference. Refer to the Budgeting Guidelines¹⁰ for more details.

Strengthening sustainability and impact of investments

To strengthen the overall impact and sustainability of Global Fund investments, the Global Fund has two different requirements. "Application focus requirements" outline how countries should invest Global Fund financing and "co-financing requirements" outline how countries should invest domestic commitments made in the context of Global Fund grants. These requirements differ based on a country's income classification.

Application focus requirements: 100%

As Belarus is classified as an upper-middle-income country, 100% of allocation funding should focus on interventions that maintain or scale-up evidence-based interventions for key and vulnerable populations. Applications must include, as appropriate, interventions that respond to human rights and gender-related barriers and vulnerabilities in access to services. Applications may also introduce new technologies that represent global best practice and are critical for sustaining gains and moving towards control and/or elimination of the diseases; and interventions that promote transition readiness which should include critical RSSH needs for sustainability, as appropriate, and improvement of equitable coverage and uptake of services.

Co-financing incentive requirements for the 2020-2022 allocation:

Total amount of 2020-2022 allocation subject to additional co-financing investments in disease programs and/or RSSH as described below (20% of 2020-2022 allocation): US\$4,167,918

Minimum amount of additional co-financing investments for Belarus to access full co-financing incentive: US\$4,167,918. The minimum amount of additional domestic commitments must be in addition to the domestic investments made in the implementation period of the previous allocation cycle¹¹.

As Belarus is classified as an upper-middle-income country, additional co-financing contributions must be invested in disease program interventions and/or RSSH activities to address sustainability and transition challenges. A minimum of 50% must be invested in interventions targeting key and vulnerable populations.

⁹ <https://www.theglobalfund.org/en/sourcing-management/health-products/>

¹⁰ <https://www.theglobalfund.org/en/documents-by-type/implementers/>

¹¹ Commitments of additional co-financing investments must be made to the relevant disease programs and/or related RSSH over the implementation period of the grant, as per the requirements in the STC policy.

Commitments to access the co-financing incentive should specify specific activities to be financed and how realization of commitments will be verified and reported to the Global Fund. Belarus should provide confirmation of co-financing commitments and evidence of realization of those commitments from appropriate government authorities, including the Ministry of Finance or other relevant bodies.

We would like to applaud the Government of Belarus for the progressive increases in health budget as well as allocations to the HIV and TB programs. Within the framework of long term sustainability of the HIV and TB programs and co-financing commitments for the implementation period of the 2020-2022 funding cycle, the Global Fund looks forward to engaging with the government and other stakeholders on the progress of implementation of the Transition Plan approved by the Ministry of Health. A specific focus will be on the scale up of co-financing for HIV prevention activities among key and vulnerable populations, especially public financing of civil society organizations for health services and contracting of outreach workers at public health sites ("functional groups").

Previous co-financing and domestic commitments for the 2017-2019 allocation:

Failure to realize previous co-financing commitments from the 2017-2019 allocation may result in the Global Fund reducing funds from existing grants and/or reducing the 2020-2022 allocation. Belarus should submit evidence of the realization of previous commitments when submitting the funding request.

Table 2: Domestic commitments for 2017-2019 allocation

Program	Currency	2019	2020	2021
HIV	US\$	19.65 M	20.65 M	21.54 M
TB		66.58 M	67.25 M	67.92 M
Total Government Contribution		86.23 M	87.91 M	89.47 M

Source: Funding Request and background documents submitted via access to funding process for the 2017-2019 Allocation

Annex B: Catalytic Matching Funds

Catalytic funds support countries to deliver on country priorities in line with the Global Fund's mission to end the epidemics of HIV, TB and malaria and to support attainment of the Sustainable Development Goals.

HIV Prevention Catalytic Matching Funds

Belarus is eligible for additional funding for Scaling Up Community-Led Key Population Programs. This funding aims to maximize investments for prevention within the overall allocation to ensure the expansion and impact of HIV prevention programming. Catalytic funds are awarded for specific and targeted investments that should address bottlenecks to increase the potential of country allocations toward quality, coverage and scale leading to impact of HIV prevention investments. This funding should catalyze innovation and ambitious programming approaches and maximize impact in this strategic priority area. A corresponding increase in programmatic targets and coverage is anticipated through both the increased use of country allocations and use of matching funds towards the relevant catalytic investment priority.

Programmatic approaches. Catalytic investments in comprehensive HIV prevention are intended to increase access to high impact HIV prevention programs for populations with the greatest HIV prevention need, by directing funds to the following:

- (a) Investment in high impact service delivery models and interventions, and populations with greatest HIV prevention need;
- (b) Investment in activities and processes that support the scale up of HIV prevention to meet national HIV prevention targets – coverage, quality and scale;
- (c) Support for strengthening systems for HIV prevention implementation (particularly community systems) to move towards people centered and differentiated/tailored approaches;
- (d) Interventions that improve access to key prevention commodities and technologies – existing and new – to ensure prevention commodities and services are valued, acceptable and available to users in the right locations; and
- (e) Support for strengthening approaches and mechanisms toward the long-term sustainability of HIV prevention programming.

Belarus is eligible for catalytic matching funds for HIV Prevention in the following area:

Catalytic matching funds priority area	Amount	Conditions to access the funds
Scaling Up Community-Led Key Population Programs	US\$1,000,000	Condition: Invest a portion of the HIV allocation that is greater than or equal to the amount of available matching funds in Scaling Up Community-Led Key Population Programs

Additional programmatic conditions

In addition, specific programmatic conditions for each area of catalytic funding will form the basis for TRP review and the approval of the Global Fund Grant Approvals Committee. More detailed information and guidance on each of the priority areas, including any relevant programmatic conditions, will be shared in January 2020.

Strategic Initiative for technical assistance for matching funds

In order to operationalize the catalytic matching funds, Belarus is also eligible to receive technical support through Strategic Initiatives. The details on how to access this support will be communicated at a later stage.