

The Global Fund HIV/AIDS Portfolio in Ethiopia: - Impact, Challenges and a Look into the Future

Workshop: Ethiopia & Partners – the Response to HIV/AIDS
Hosted by the Italian Agency for Development Cooperation

25 January 2017
Addis Ababa, Ethiopia

Outline of presentation

- The Global Fund - Global Investment, Impact & 2017-2022 Strategy
- Ethiopia Global Fund Portfolio - Investments & Impact
- Program scale-up & trends in national HIV epidemic
- Challenges & Opportunities
- A look into the future (I) - Application of GF Allocation Methodology 2017-2019 and Global Fund Allocation for Ethiopia 2017-2019
- A look into the future (II) - Upcoming request for Global Fund funding
- Key Portfolio Issues with Potential Impact on Access to GF Funding

The Global Fund

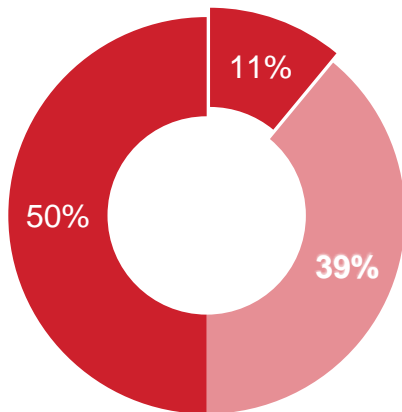
Global Investment, Impact & 2017-2022 Strategy

US\$33
BILLION

CUMULATIVE AND FULLY PAID
CONTRIBUTIONS BY 2015

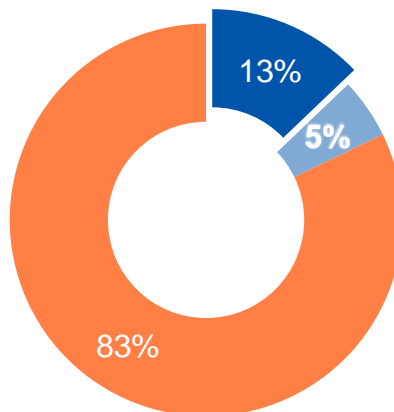
21ST-CENTURY PARTNERSHIPS TO MOBILIZE RESOURCES IN THE FIGHT AGAINST AIDS, TUBERCULOSIS AND MALARIA

AIDS



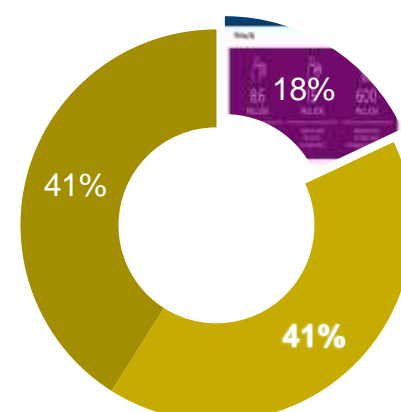
- Global Fund
- Other Agencies (PEPFAR, World Bank, Other Bilateral Agencies)
- Domestic Resources

TUBERCULOSIS



- Global Fund
- Other International Contributors
- Domestic Resources

MALARIA



- Global Fund
- PMI and Other International Contributors
- Domestic Resources

Results



8.6
MILLION

PEOPLE ON
ANTIRETROVIRAL
THERAPY FOR HIV



15
MILLION

PEOPLE HAVE
RECEIVED
TB TREATMENT



600
MILLION

MOSQUITO NETS
DISTRIBUTED BY
PROGRAMS FOR MALARIA

Impact



43%

DECLINE IN HIV-
RELATED DEATH RATES
FROM THE PEAK IN 2004



41%

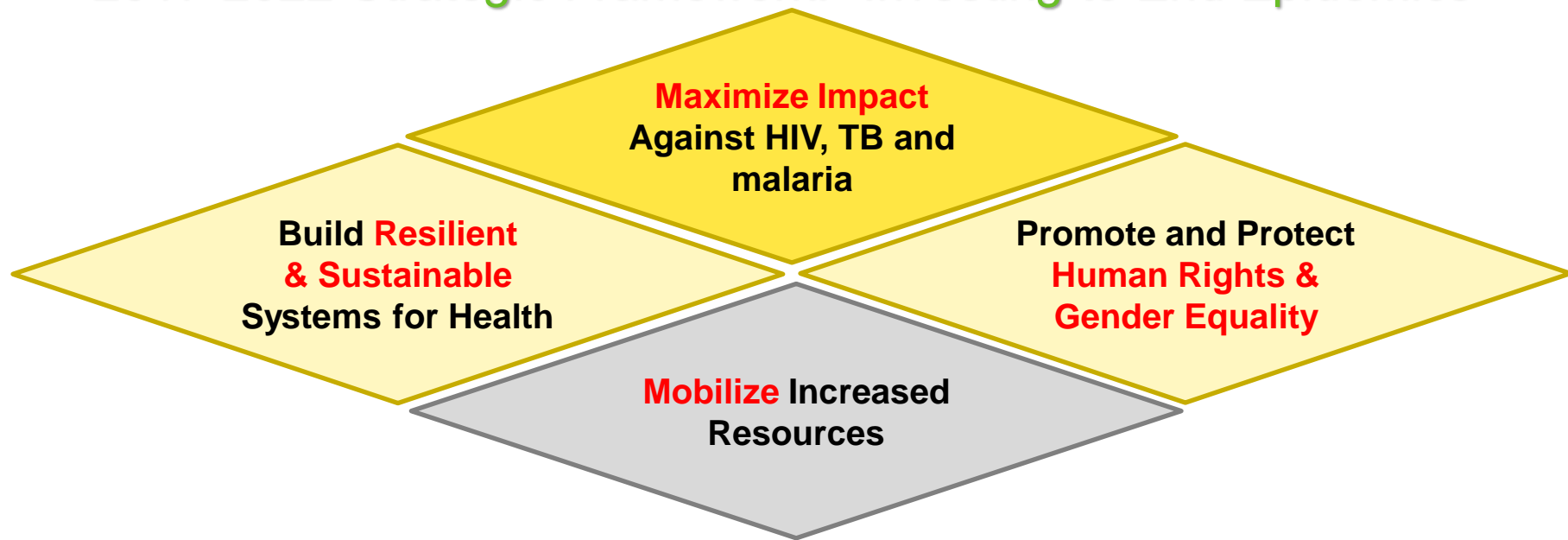
DECLINE IN TB
DEATH RATES BETWEEN
2000 AND 2014



48%

DECLINE IN MALARIA
DEATH RATES BETWEEN
2000 AND 2014

2017-2022 Strategic Framework: “Investing to End Epidemics”



Strategic Enablers

Innovate and Differentiate along the Development Continuum

Support Mutually Accountable Partnerships

Ethiopia Global Fund Portfolio Investments & Impact

Ethiopia: Overview of Investments 2003-2017

Component	Board Approved (USD equ)	%	Signed (USD equ)	NFM Approved Budget	Disbursed (USD equ)
HIV/AIDS	1,268,373,694	(60%)	1,268,373,693	276,713,816	1,200,212,783
Malaria	611,099,775	(29%)	610,797,280	148,752,983	538,686,480
Tuberculosis	163,805,838	(8%)	163,718,856	74,270,005	140,196,673
HSS	65,139,388	(3%)	65,139,388	52,260,169	40,995,723
Grand Total	2,108,418,694	(100%)	2,108,029,216	551,996,975	1,920,091,659

The **NFM allocation was USD 591.2 million**, and included USD 234 million from existing funding / USD 345 million incremental

Ethiopia: Results & Impact



380,000 PEOPLE ON
ANTIRETROVIRAL THERAPY



1.5 MILLION PEOPLE
RECEIVED TB TREATMENT



OVER 40 MILLION
LLINS DISTRIBUTED



70% DECLINE IN HIV
RELATED DEATHS

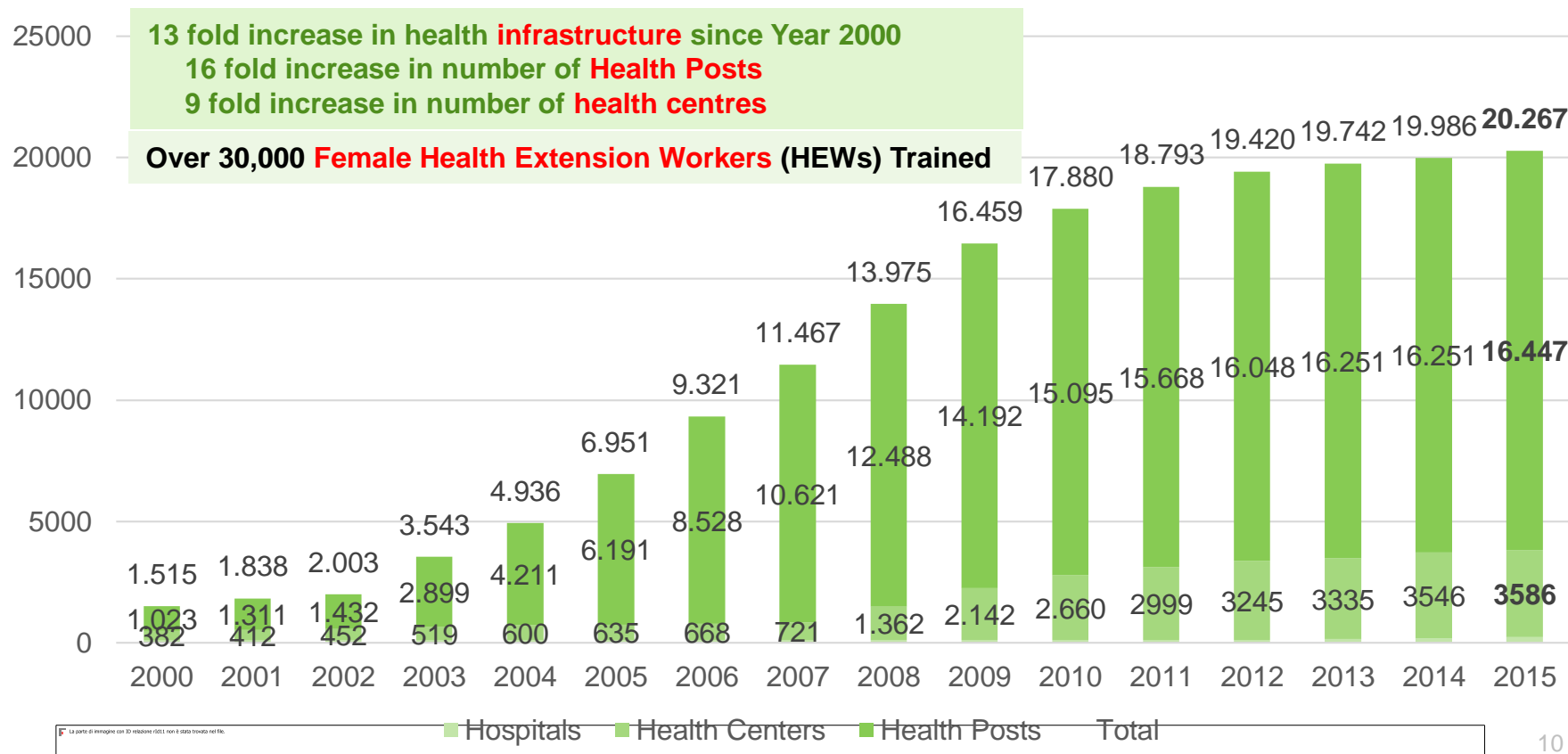


36% DECLINE IN TB
RELATED DEATHS



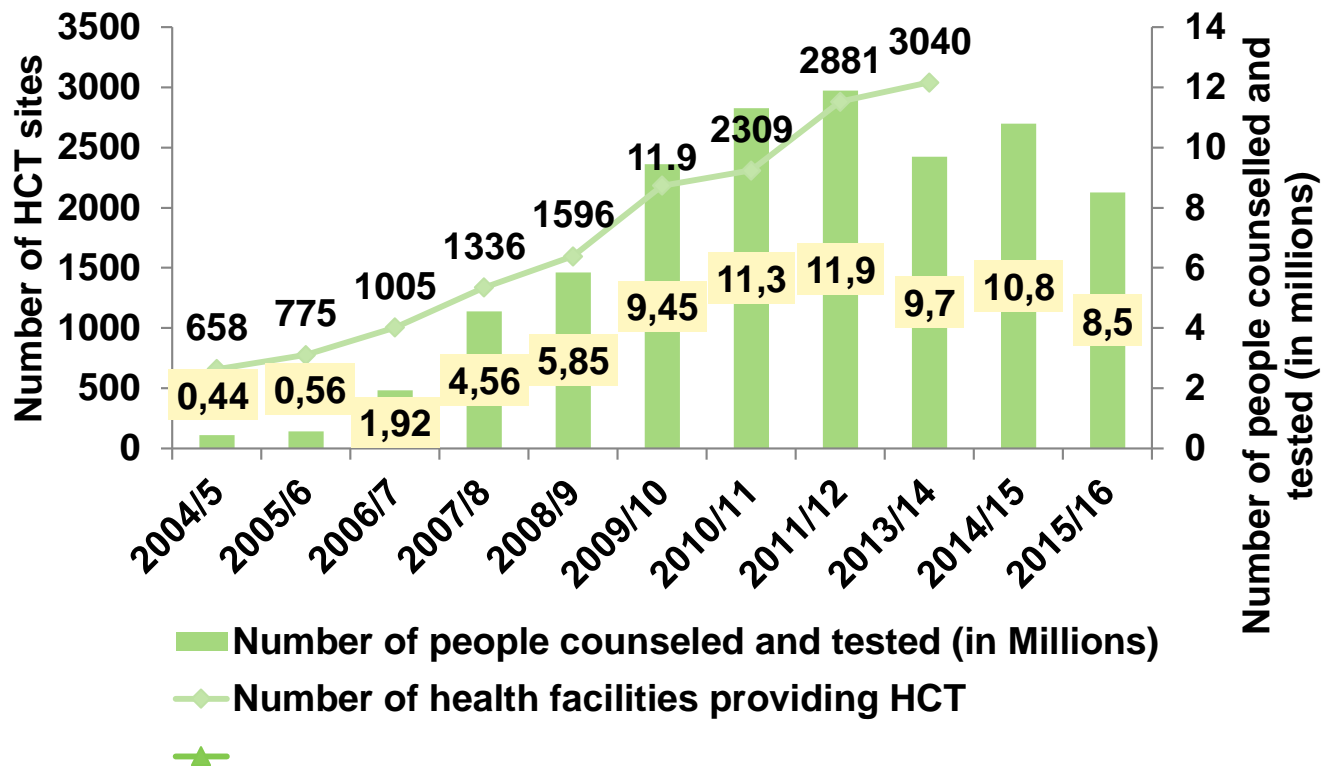
80% DECLINE IN
MALARIA DEATHS

Ethiopia: Building Resilient and Sustainable Systems for Health

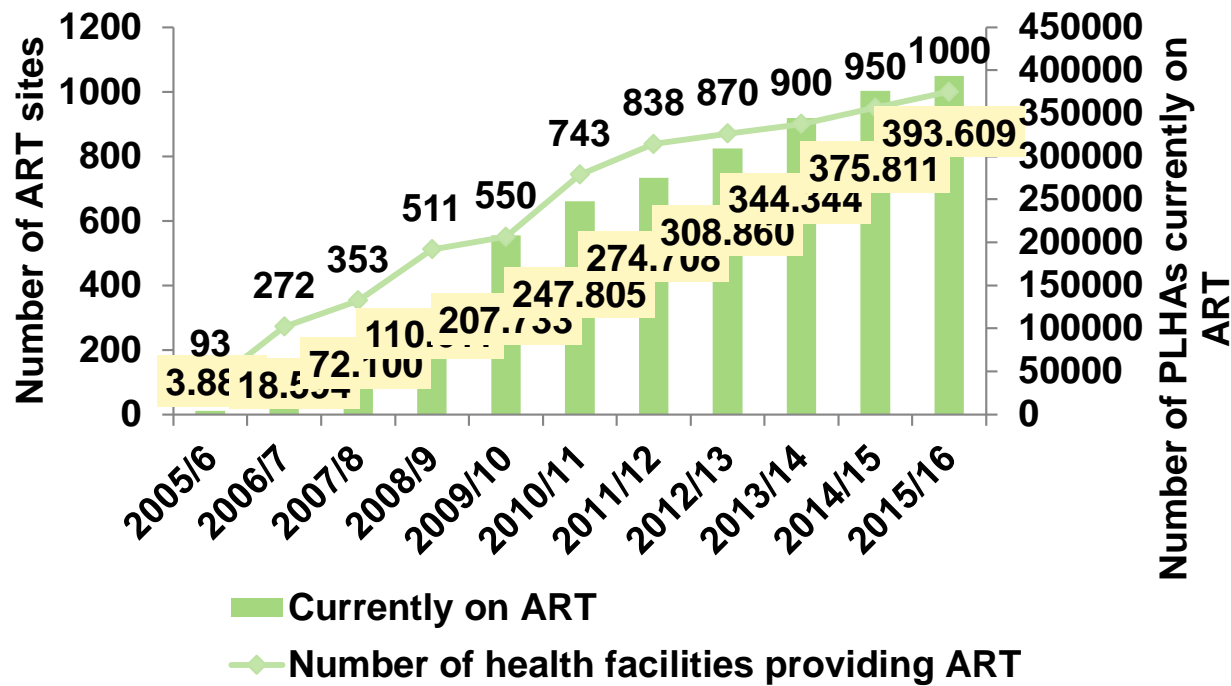


Program scale-up & trends in national HIV epidemic

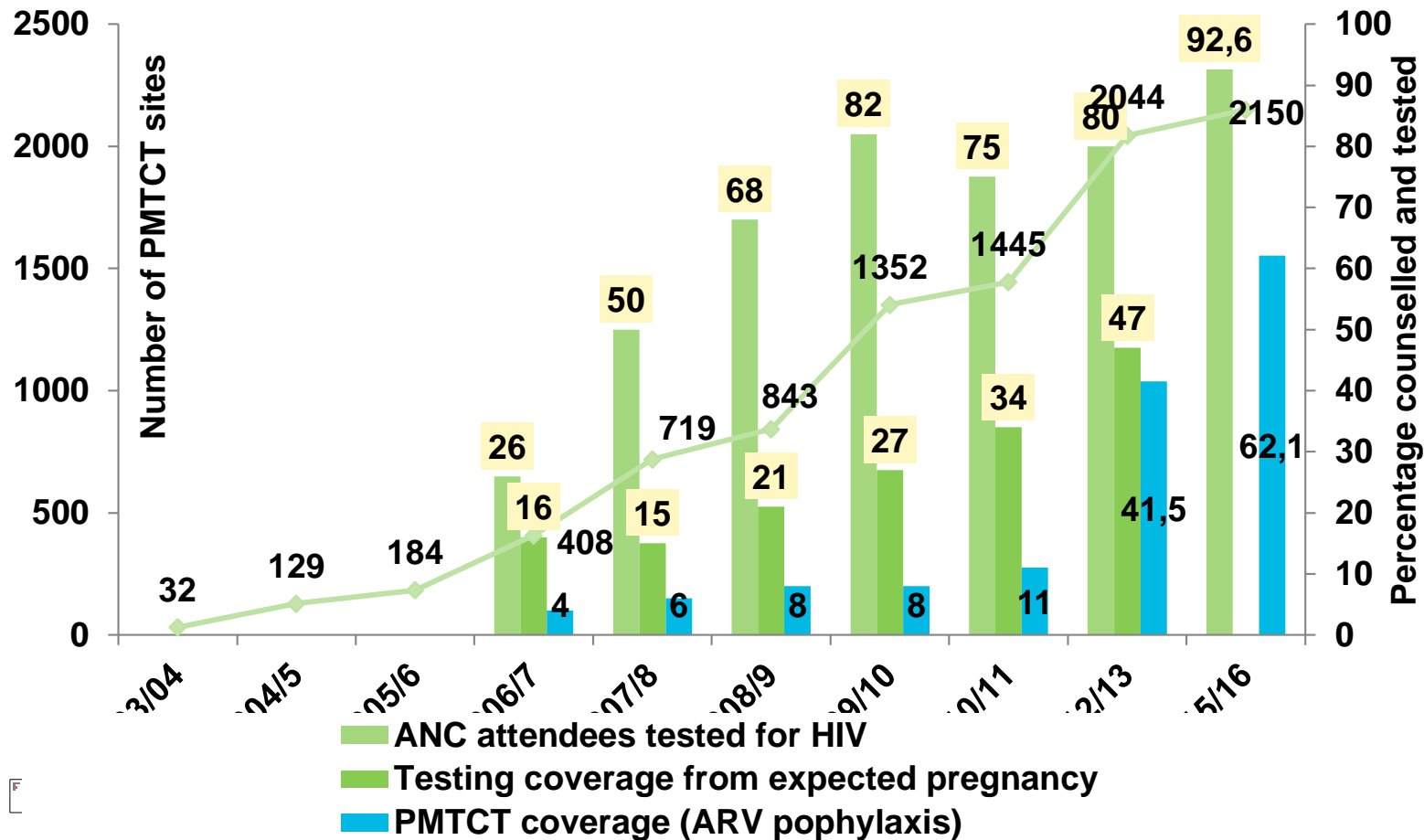
Program Scale-up: HCT



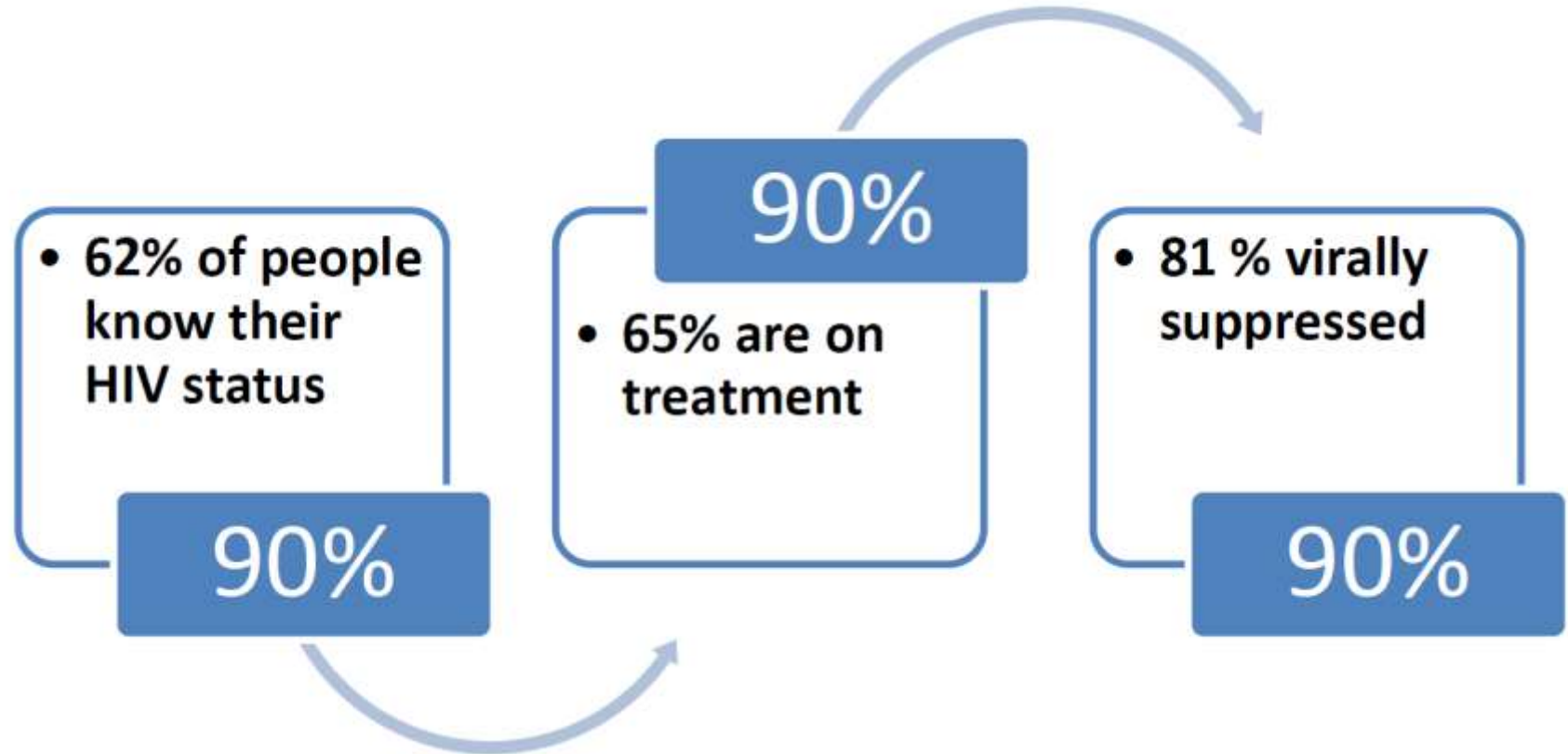
Program Scale-up: ART



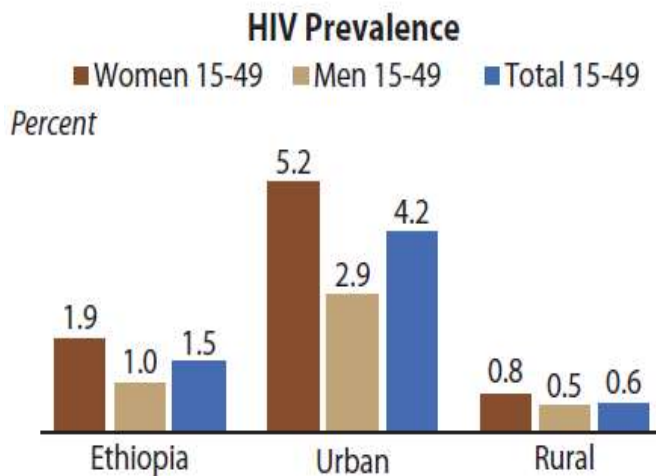
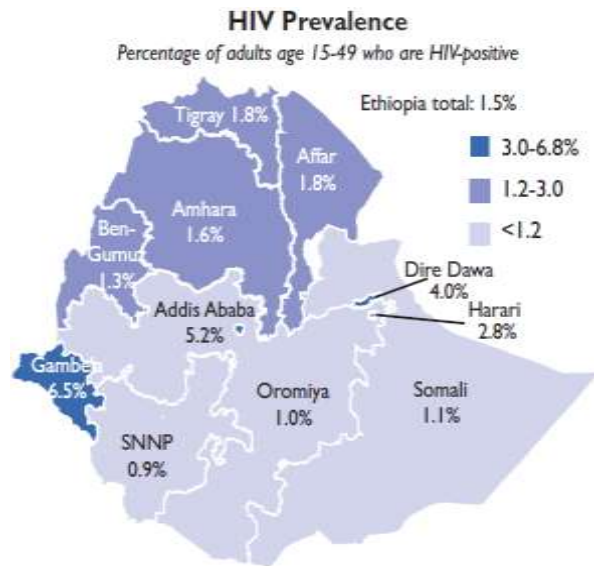
Program Scale-up: PMTCT



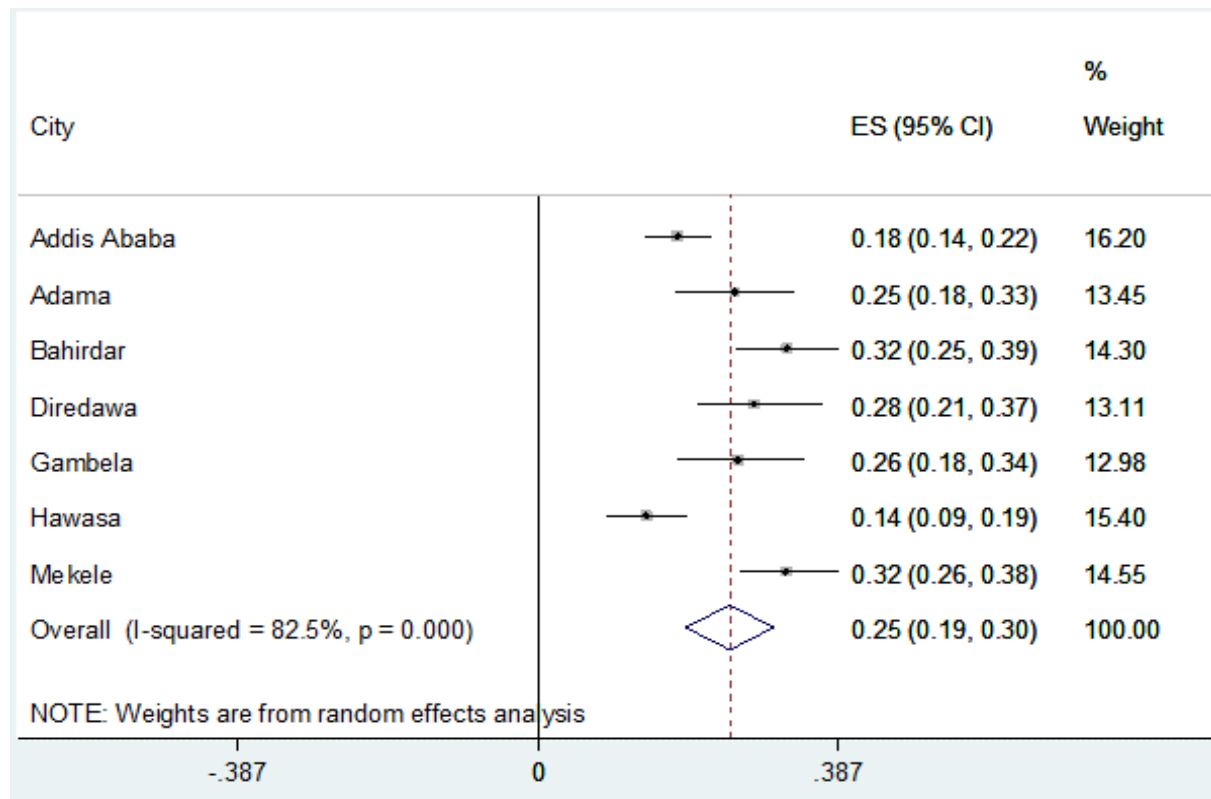
Ethiopia: 90-90-90 Status



HIV prevalence



HIV Prevalence among FSWs



Challenges & Opportunities

Challenges and Opportunities

- **Programmatic**

- Gaps in 90-90-90 coverage
 - Lagging behind on Adult and paediatric ART targets
 - Final push to realize universal goal of PMTCT
 - TB/HIV collaboration improving (testing going well, over 70% of co-infected on TB and ART treatment) but opportunity for further scale-up, especially IPT (opportunity: GF funding request – joint HIV/TB proposal)
- Need for coordinated effort and approaches in reaching the last mile – **most at risk and vulnerable population groups** (many groups incl GF focus on migrant/daily workers)

- **Financial**

- Changes in funding landscape - reductions in Global Fund allocations for 2017-19;
- Opportunity for increased efficiency & targeting investments to maximize impact

A look into the future (I)

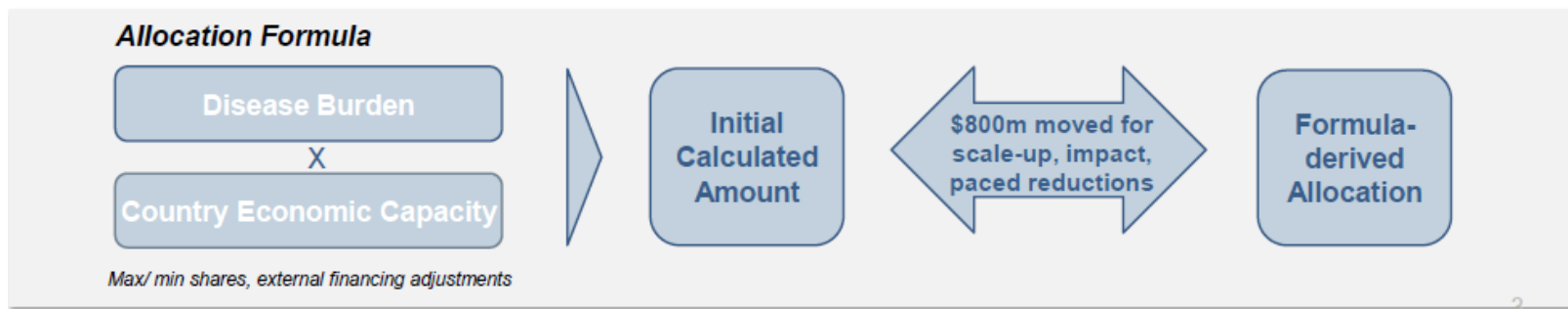
Application of **GF Allocation Methodology 2017-2019**

Global Fund Allocation for Ethiopia 2017-2019

Calculation of country Allocations

Allocation methodology aims to **achieve aims of the 2017-2022 Global Fund Strategy** by ensuring simplicity, flexibility and predictability and maximizing impact in line with disease burden and country economic capacity

- \$800 million for robust and predictable country allocations
- Increased allocations for high burden and low income countries
- Funding for sub-Saharan Africa increased from 60.4% in 2011-13 to 66.1% in 2014-16 spend to 68.5% in 2017-19 allocation

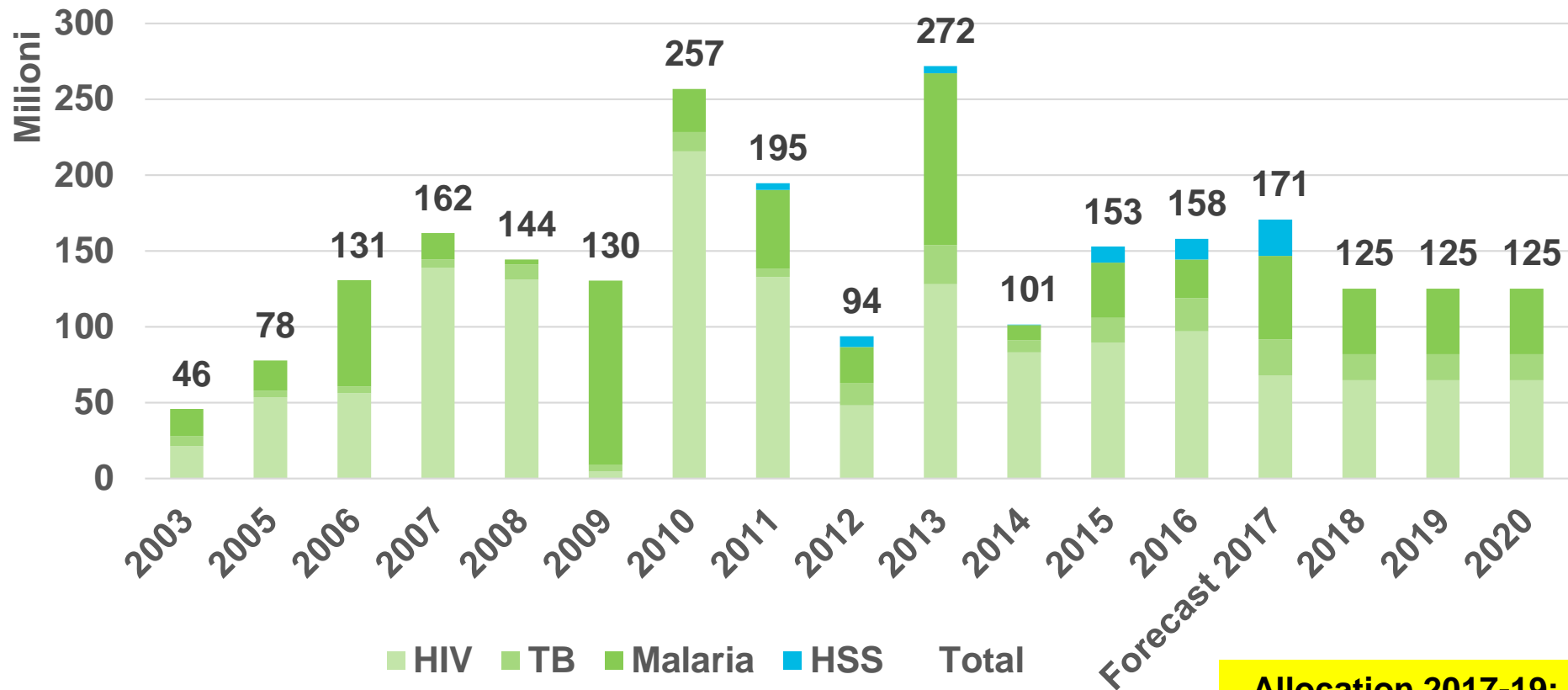


Ethiopia Allocation 2017-19

Component	Amount in USD
HIV	194,160,288
Tuberculosis	51,599,381
Malaria	129,849,218
Total	375,608,887
Catalytic Investment Priority	
RSSH: Integrated service delivery and health workforce - Matching Funding	3,000,000

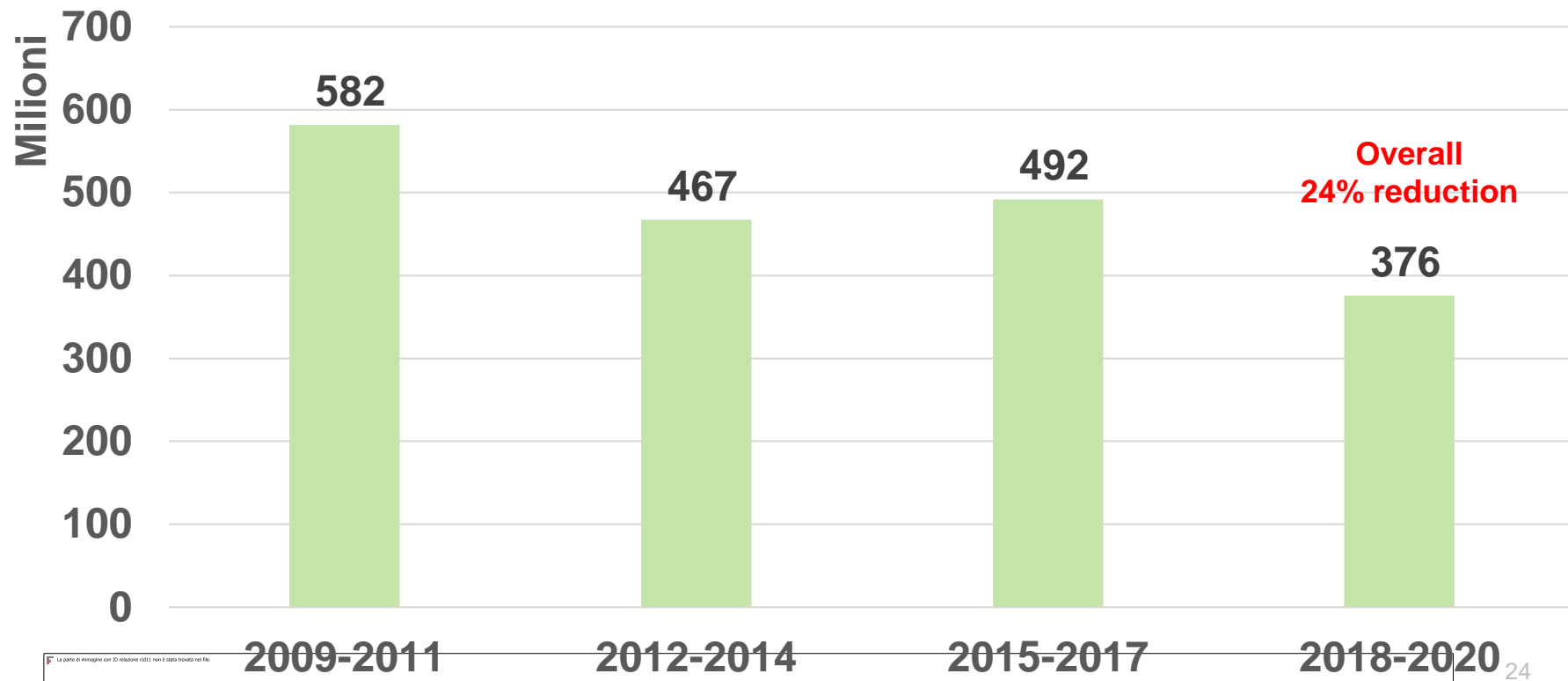
- Program Split – CCM to assess the best use of funds across eligible components
- Global Fund strongly advocates for investments to build resilient and sustainable systems for health (RSSH/HSS)
 - Countries are encouraged to invest 8-10% of country allocation on RSSH

Disbursements 2003-2016 and projections 2017-2020

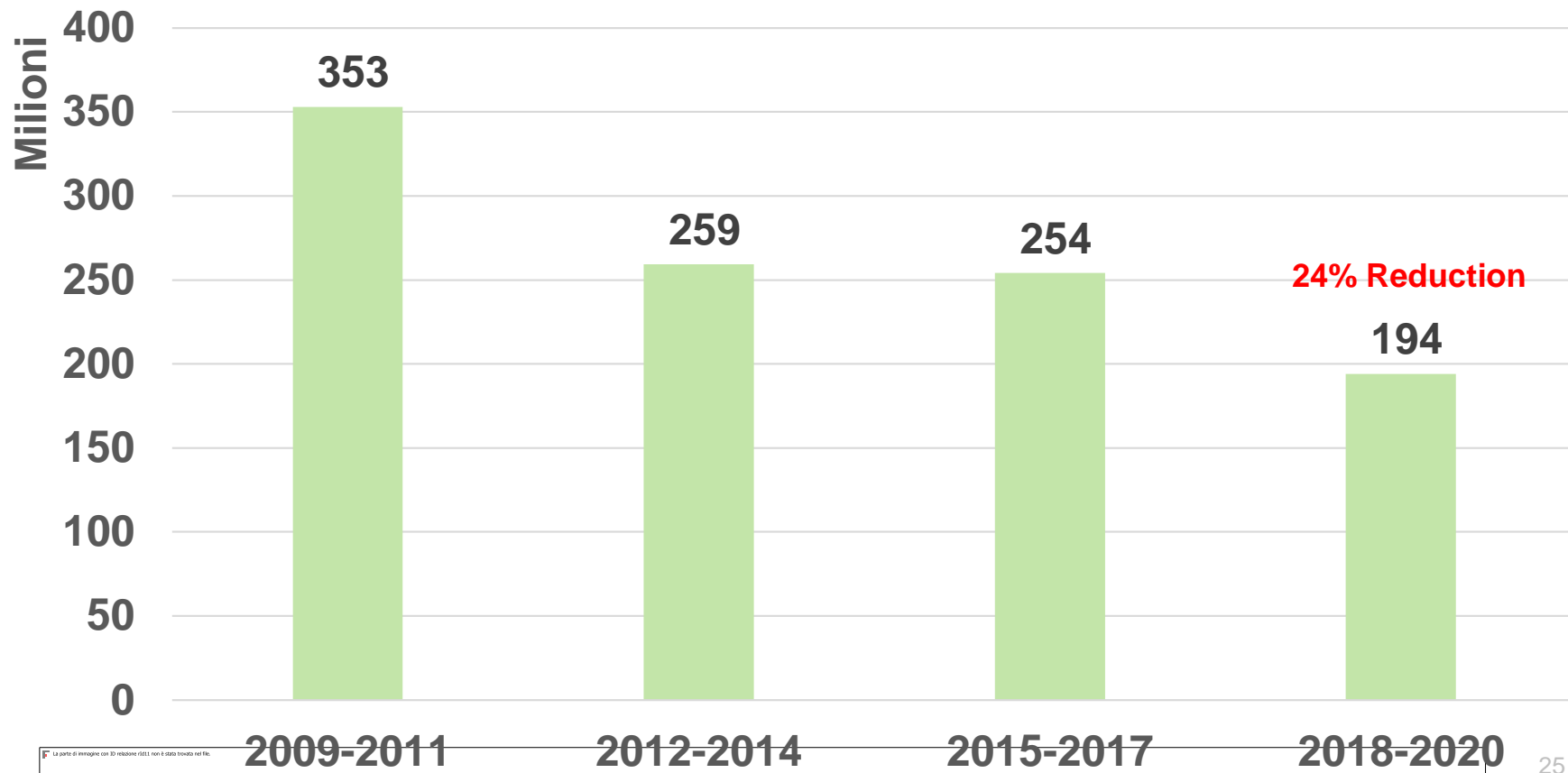


**Allocation 2017-19:
USD 375,608,887**

Disbursement 2009-2017 and Allocation 2018-2020: 3 Year period comparison



HIV Disbursement and Allocation 2018-2020



HIV Portfolio

- Avg. annual procurement related costs – USD 95 million
 - ARVs – USD 75 million
 - Test Kits – USD 11 million
 - Others (OI drugs, lab reagents, condoms) – USD 8-10 million
- Available resources – USD 65 million per year
- Potential Gap – USD 30 million

A look into the future (II)

Upcoming request for Global Fund funding

Request for Funding: Key Steps

HOW TO PREPARE NOW

1

Plan now for the timing of new funding request

4

Ensure CCM is compliant with Eligibility Requirements & Minimum Standards

2

Involve key stakeholders in Country Dialogue

5

Consider implementation arrangements early on

3

Determine past and future commitments for co-financing

6

Prepare countries for sustainability and transition

1 Plan now for the timing of new funding request – 2017 timelines

3 submission windows scheduled in 2017: March, May, Aug



- Ethiopia portfolio will be subject to a Full review by the TRP
- Ethiopia is expected to submit a joint TB/HIV Funding Request
- HSS/RSSH component can be integrated into disease application or could be stand-alone.

2

Involving key stakeholders in Country Dialogue

- ✓ Ensure Country Dialogue is ongoing and that key networks, national authorities, and partners are involved and aware of key decision dates
- ✓ Make sure that key and vulnerable populations and networks continue to be engaged in country-led responses and Global Fund processes
- ✓ Identify technical support needs, partners and providers able to provide technical support.

3

Determine past and future commitments for co-financing

- ✓ **Gather evidence to prove that the counterpart financing and willingness to pay commitments have been met from the previous funding cycle**

The Global Fund will assess the realization of commitments prior to funding request for the next allocation period

Downward adjustments to the next allocation may be made as a result of non-realization of counterpart financing commitments

USD 88.68 M from the 2014-2016 allocation period tied to demonstrable increase in domestic financing for health by **USD 22.34 M** during the period compared to baseline year of 2014

Draft NHA VI demonstrates increase in domestic financing for health between 2010/11 and 2013/14.

Need additional data (Ex. MoFED) to demonstrate increasing trends in domestic financing for health

2017-2019 co-financing requirements

- 15% of allocation made available upon additional co-financing commitments
 - USD 56,341,333 million
- Minimum amount of additional co-financing investments Ethiopia has to make in order to access full co-financing incentive: **US\$28,170,667**
- Define the approach/methodology to demonstrate additional co-financing investments
 - Specify specific timing of investments
 - Specific activities financed
 - Methodology for realization of commitments and reporting (Baseline year 2016/17 and Period under consideration – 2017/18 – 2019/20)

Implementation Arrangements

- Open and transparent process of PR selection
 - Institutional capacity at HAPCO shall be reassessed
- CCM strongly encouraged to consider dual track financing – **Increased Returns for Investment**
 - To strengthen engagement of CSOs and key populations
 - Comparative advantage of different stakeholders to reach key and other vulnerable populations
 - Strengthen program performance, outcomes and results
 - Improve ability of program for strategic investments to achieve impact, efficiency and value for money (and thereby absorb grant funds)
- Value for money for procurement
 - While procurement related unit costs are competitive, inefficiencies in process, procurement lead times, poor visibility of stocks, including excess stocks and expiries

Funding request

- Competing priorities between current program/grant implementation Vs next funding request
 - Country Team will support CCMs to ensure timely Funding Request Submission and streamlined grant making process
- Planned Office of the Inspector General (OIG) Audit in Q2 2017

Key Portfolio Issues with Potential Impact on Access to GF Funding

Current Grant Performance

Fund Absorption

Grant	Grant Agreement Available Funding	Disbursed till date	Funds remaining to be disbursed*
ETH-H-HAPCO	253,841,137	185,680,226	68,160,911
ETH-T-FMOH	58,177,462	34,655,279	23,522,182
ETH-M-FMOH	115,599,987	60,626,824	54,973,163
ETH-S-FMOH	46,756,477	22,612,812	24,143,665
Total	474,375,063	303,575,141	170,799,921

* Please note this includes grant funds not yet committed

Unutilized funds at the end of Dec 2017 will not be available into the next allocation

Procurement

Delays, lead times, excess stock on hand

- Available information indicates adequate to excess stock of ATM pharmaceuticals and health products
 - Including pipeline procurements
 - Could potentially limit grant fund absorption
 - Front loading for procurements in 2018 not allowed

Open Advances as end Q3 2016 (in USD Millions)

Grant	Cash	Procurement Advances	Regional Advances	Total end Q3 2016	Funds disbursed after end Q3 2016	Anticipated Total end Q4 2016
ETH-H-HAPCO	10.2	34.4	3.7	48.4	86.4	134.8
ETH-T-FMOH	4.6	11.2	6.7	22.6	13.7	36.3
ETH-M-FMOH	4.8	9.4	9.2	23.4	18.2	41.6
ETH-S-FMOH	15.7	1.8	5.1	22.6	0	22.6
Total	35.3	56.8	24.7	117.0	118.3	235.3

- Sizeable unliquidated advances will delay flow of funds/disbursements
- Sizeable unliquidated advances at PFSA even for pharmaceuticals that are know to have been delivered

Grant Closures

Long outstanding grant closure

Grant	Amount Recoverable
ETH-202-G03-H	ETB 978,236
ETH-T-FMOH (Implementation Period 1)	ETB 18,157,939
ETH-911-G11-S	ETB 2,149,380

- Amounts recoverable determined by status of long outstanding unliquidated advances at various levels
- Non-realization of recoverable/dues could potentially lead to downward adjustments of next allocation

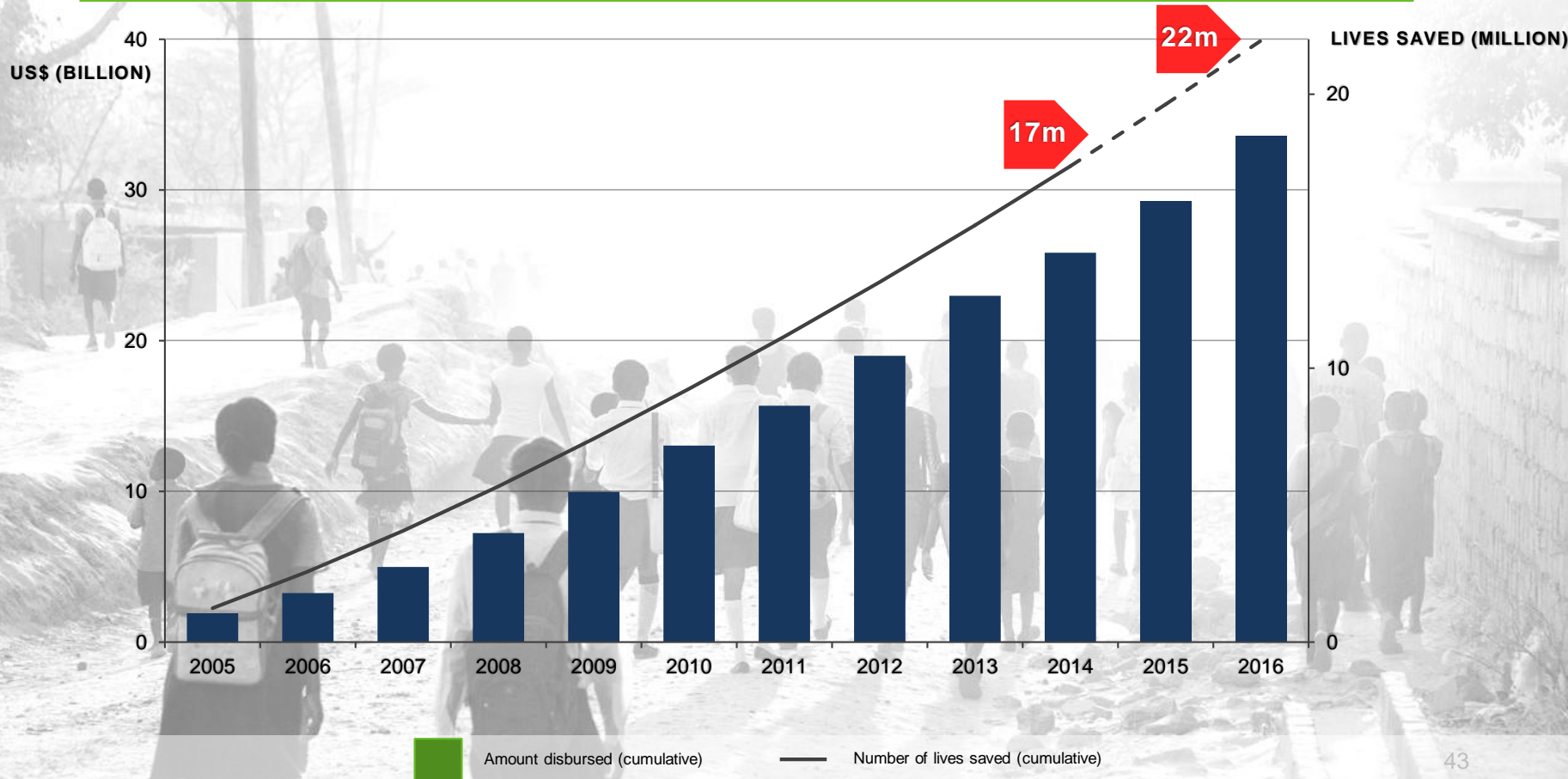
Thank you!

ADDITIONAL INFO

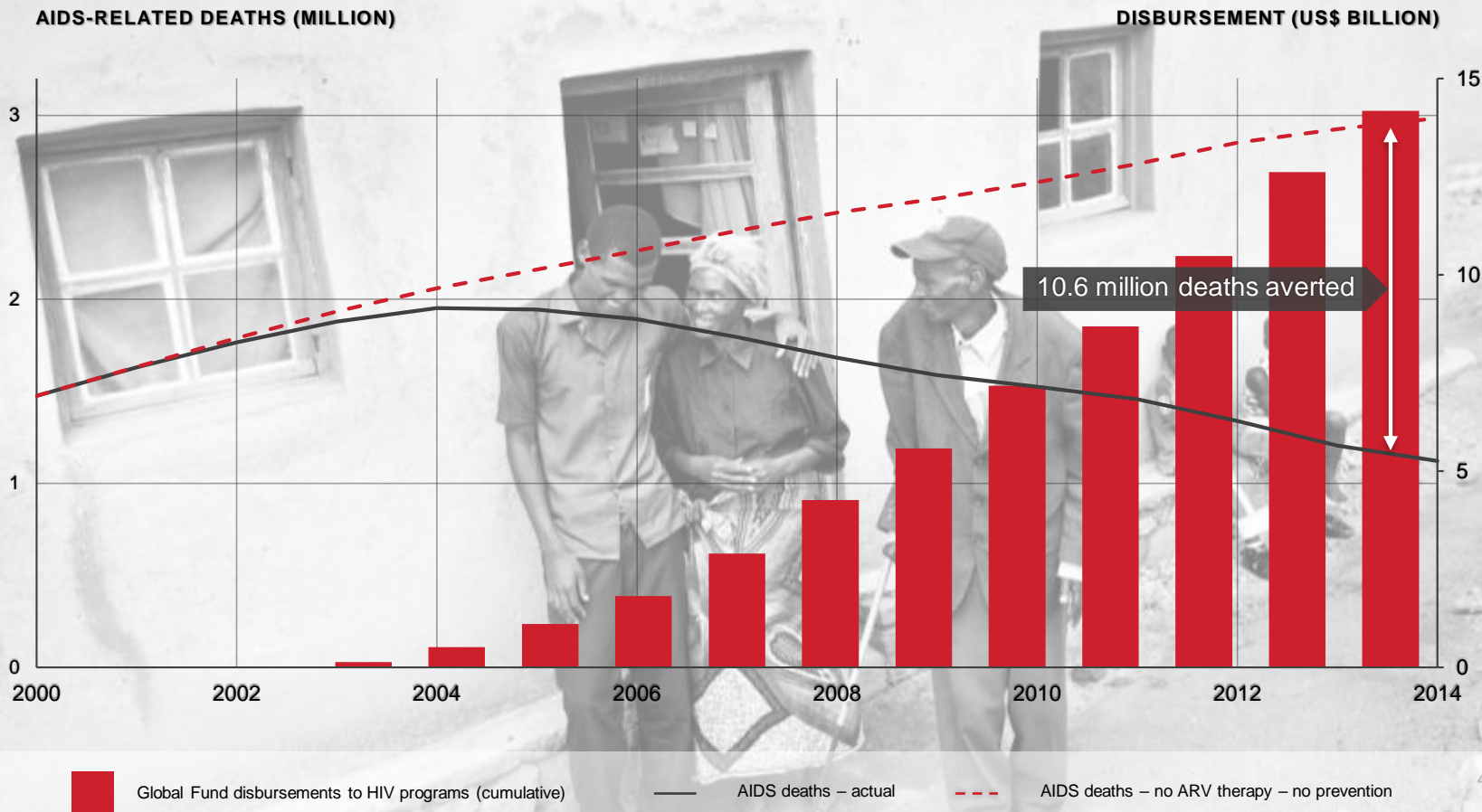
Allocation Methodology

2014-16 Allocation	2017-2019 Allocation
USD 14.8 billion allocated to Country Bands	USD 10.3 billion allocated to countries + USD 800 for catalytic funding (\$11.1B)
Allocation for a 4 year period	Allocation for 3 year period
Country Bands, Incentive Funding, Minimum Required Levels	None
HIV - # PLHIV	HIV – No change
TB – $1 \times \text{HIV Neg TB Incidence} + 1.2 \times \text{HIV Pos TB Incidence} + 8 \times \text{MDR incidence} + 0.1 \times 50\% \text{ of } \# \text{ PLHIV}$	TB – $1 \times \text{TB Incidence} + 10 \times \text{MDR incidence}$
Malaria – $1 \times \# \text{cases} + 1 \times \# \text{deaths} + 0.05 \times \text{incidence rate} + 0.05 \times \text{mortality rate}$; Date from 2000	Malaria – No change

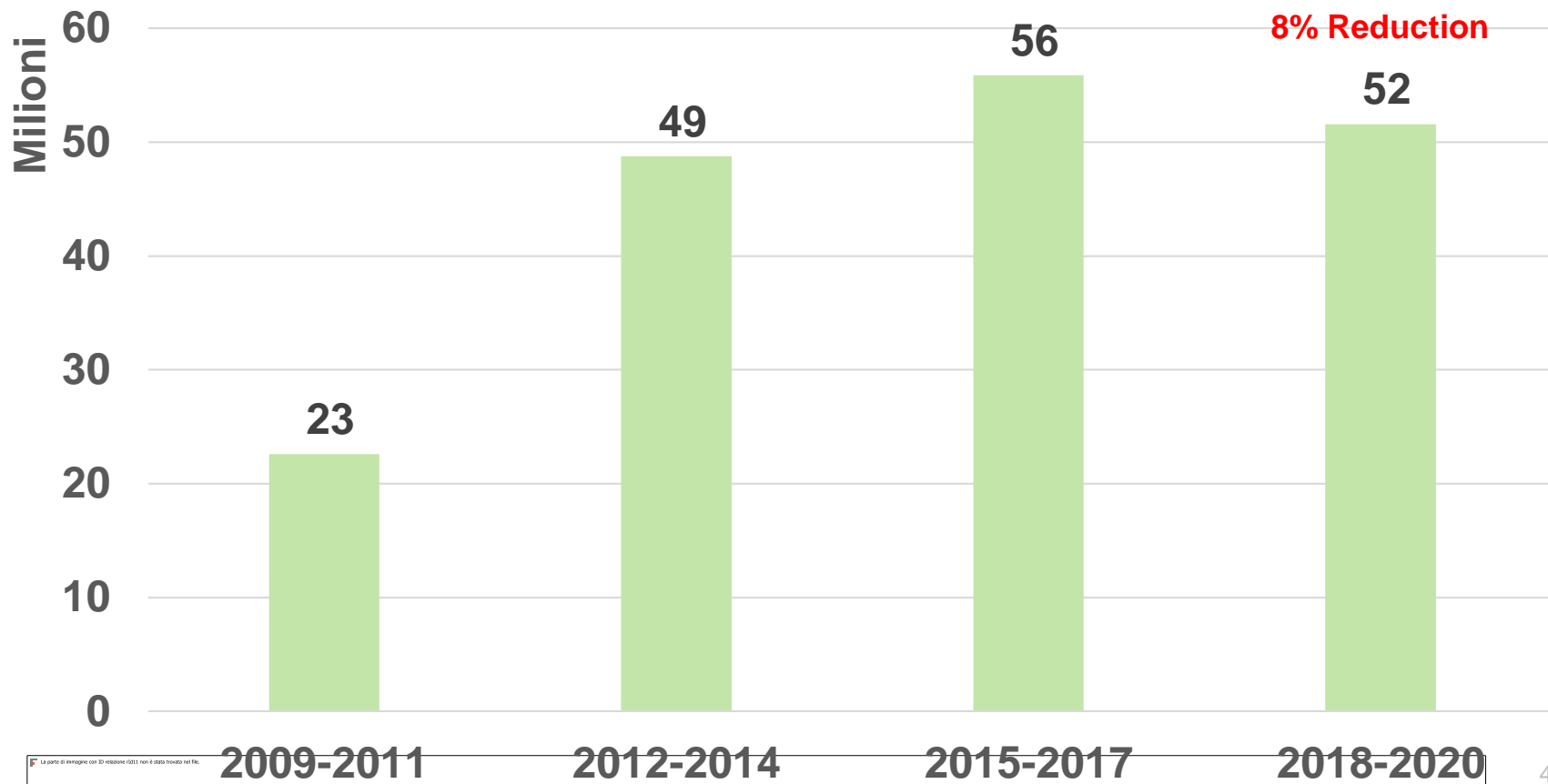
NUMBER OF LIVES SAVED THROUGH GLOBAL FUND-SUPPORTED PROGRAMS



TRENDS IN AIDS-RELATED DEATHS (2000-2014) IN GLOBAL FUND-SUPPORTED COUNTRIES



TB Disbursement and Allocation 2018-2020



Malaria Disbursement and Allocation 2018-2020

