



UNITE^{TO} FIGHT

COVID-19 RESPONSE MECHANISM

C19RM INFORMATION SESSION

Reinvesting C19RM Funds

Refocusing C19RM Investments to Maximize Impact

25 July 2022

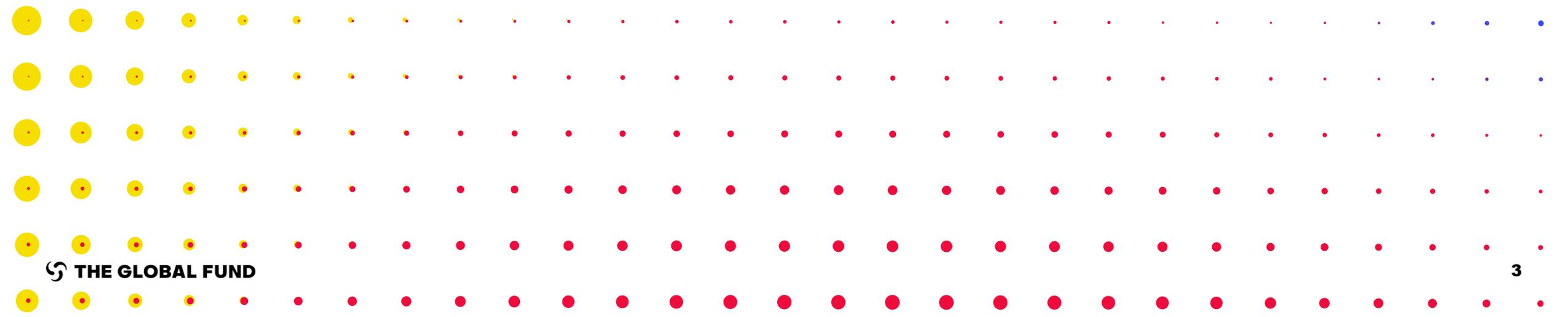
Agenda

Topic	Discussion Points
1 Introduction 10:30-10:35	(C19RM Secretariat)
2 Updated C19RM Guidance for Reinvestment Planning 10:35 – 11:05	Key Areas for Reinvestment (TAP) Health Product Update – C19RM (Supply Operations)
3 C19RM Guidelines 11:05 – 11:15	Context and Principles and Timelines (C19RM Secretariat) Update to C19RM Reinvestment Process (C19RM Secretariat)
4 Q&A 11:15 – 12:00	Discussion



1

Introduction



Responding to the changing nature of COVID-19 pandemic and evolving national responses

The pandemic response has moved on...

- The **pandemic context and national responses have significantly evolved** since the COVID-19 Response Mechanism (C19RM funds) were originally awarded in 2021.

Financing and investment-focus need to respond...

- Implementing countries are encouraged to **urgently reinvest** C19RM funds to **scale-up impactful interventions** within the scope of C19RM.
- Principal Recipients are requested to reinvest where the initial C19RM investments no longer respond to **current and projected national needs**.
- Reinvestment planning can also identify '**unfunded demand**', a list of additional interventions that will be considered for financing from September 2022 through the additional funding available to countries for C19RM Portfolio Optimization. **Details on how to register unfunded demand will be shared with CCMs in August to update the country's Unfunded Demand.**
- **C19RM funding is eligible until December 2023.** All C19RM investments need to be delivered and paid for by this date.

Available guidance to support in-country partners to better align C19RM investments to new contexts, national priorities, implementation experience, global goals and the 2023-2028 Global Fund Strategy covers...

- **Areas of reinvestment** that countries should consider prioritizing based on country and partner feedback and best practices.
- Additional details on **lead times, costs and procurement considerations** to inform reinvestments decision-making.
- The **objectives and imperative for demand creation** for both C19RM reinvesting and additional C19RM funds through the process of Portfolio Optimization.



Updated C19RM Guidance for Reinvestment Planning

Country Demand for Reinvestment in Priority areas

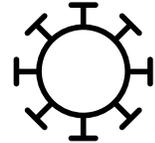
C19RM Board Priority Area

Strategic Priority Investment Areas

1. Reinforce COVID-19 national response

Adapt COVID-19 responses to interventions to current context

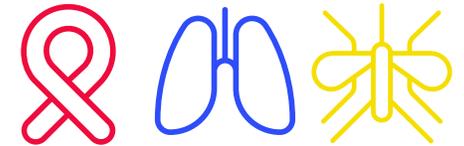
- Re-quantify COVID-19 diagnostics and PPE
- More attention to Infection Prevention & Control beyond PPE
- Scale-up Medical Oxygen & respiratory care
- Introduce Novel therapeutics; Test and Treat programs



2. Mitigate COVID-19 impact on HIV, TB and malaria programs

Enable HIV, TB and malaria program integration & mitigation

- Cover additional procurement and supply management (PSM) costs
- Bi-directional screening TB/COVID-19 integration
- *Note:* HIV, TB, and malaria commodities remain outside C19RM scope (except TB testing as part of integrated response)



3. Urgent improvement to health and community systems

Enhance systems & infrastructure to boost responses

- Pandemic preparedness
- Laboratory systems and Diagnostic networks
- Surveillance, Data Systems and Response
- Community health systems and responses, including community health workers
- Supply Chain and Waste Management Systems
- Bring forward RSSH plans



Key Priority Areas of investment to maximize impact 1/5

Priority areas	Considerations for Reinvestments	Additional Comments
1. Adapt COVID-19 responses and interventions		
<p>Right-size COVID-19 Dx</p>	<ul style="list-style-type: none"> • Determine stock levels of Dx tests to cover next surge and clinical management of high-risk patients. • Countries can consider maintaining a minimum of 3 months of testing stock. The estimated minimum stock levels should be adapted to country context- based on average use over the last 12 months and other considerations like warehousing capacity. It could also be calculated as a weighted average of low and peak months. • Both Ag RDT and PCR tests are appropriate for testing strategies. • Reasonable level of expiries of the safety stock can be accepted. 	<ul style="list-style-type: none"> • Establish supply levels on a per country basis (consult Country Teams as needed). • Consider national testing strategies; use a mix of PCR and Ag RDTs, lead times (see Global Fund Procurement Advice for 2022), current stock levels and expiry dates, in-country supply chain need for decentralized testing. • TA support available through Project Stellar and workplans developed through Stellar to support testing strategy/ algorithm development /revision, quantification of Dx products should be considered. • Link testing to routine surveillance and data systems
<p>Re-quantify PPE</p>	<ul style="list-style-type: none"> • Calculate the amount of PPE and other IPC health products (alcohol-based hand rub, soap, disinfectants), including a quantity sufficient to cover a new surge of COVID-19, that will be needed from present moment through December 2023. • Ensure a four-to-six-month in-country supply of PPE/IPC health products. 	<ul style="list-style-type: none"> • Check with Country Teams for help in quantifying PPE/IPC HP needs • Develop capacity in the countries to store, and distribute, a 4-6 months supply of PPE/IPC HP
<p>IPC</p>	<ul style="list-style-type: none"> • Start investing in IPC programs and the supporting infrastructure to promote correct use of health products and optimal implementation of IPC measures. • Continue supporting a holistic approach of PPE procurement, by investing to ensure sufficient stock of quality-assured IPC health products, adequate storage and distribution and proper discarding practices. 	<ul style="list-style-type: none"> • To strengthen IPC programs, look at two levels: the national program and those at key health-facilities. Simplified and standard assessment tools exist for both. Also look at prior assessments of the IPC programs and unfunded gaps. • Look for quick wins which would help build the national, or local IPC program (hire a national focal point for IPC, support the development national guidance) or facility-based improvements such as installing a water point, recertify/service BSCs, or develop better ventilation at healthcare facilities. • The core tools to guide the IPC program strengthening is the WHO IPCAF tool and the WHO minimum requirements for IPC programs.

Key Priority Areas of investment to maximize impact 2/5

Priority areas	Considerations for Reinvestments	Additional Comments
1. Adapt COVID-19 responses and interventions		
<p>Medical oxygen support</p>	<ul style="list-style-type: none"> Target gaps in oxygen supply, distribution and delivery-related health products identified by in-country assessments, strategic and operational plans (includes liquid O2 and other bulk O2 production equipment). Scale-up PSA plants and as per the need identified in country assessments and plans, include all supporting investments for successful operation and sustainability (electrical, HRH, multi-year warranty and maintenance). Oxygen procurement channels due to the technical complexity and long lead time we encourage PSA plants to be procured through the Global Fund procurement channel, with purchase requisitions to be initiated by end-September 2022. Scale up oxygen distribution and storage health products to ensure quality delivery to sites of high demand as identified in country operational plans, specific needs assessments and quantification. Scale up oxygen delivery and respiratory care health products to fill gaps identified in country operational plans, needs assessments and quantifications. 	<ul style="list-style-type: none"> Updated needs identified through country-assessments, TWGs, TA from country partners (e.g. CHAI/PATH/WHO) and the Global Fund central TA via Project BOXER. Long lead times further reinforce the urgency to implement within 2023 deadline. Consider filling gaps in HRH needs (biomedical engineers, technicians).
<p>Test & Treat</p>	<ul style="list-style-type: none"> Assess country readiness, financing gaps and enthusiasm/demand for Test & Treat and novel therapeutics (Tx). Scale-up and decentralize integrated testing to invest in human resource surge capacity. 	<ul style="list-style-type: none"> New treatments must be tied to vulnerable population support and ensure early diagnosis of COVID-19 for treatments' effectiveness. Include COVID-19 self-testing in existing diagnostic strategy and enhance linkages to treatment and reporting structures Liaise with Country Teams to see how to use manufacturer network to facilitate access to products. For community and decentralized testing: Consider underlying system strengthening needs (e.g., data systems, HR, referral agreements) to effectively scale up such approaches and invest appropriately. Test & Treat Centrally-Managed Limited Investment (CMLI) will provide a source of TA for countries introducing novel Tx. Consult Country Teams as needed.

Key Priority Areas of investment to maximize impact 3/5

Priority areas	Considerations for Reinvestments	Additional Comments
2. Enable HIV/TB/malaria program integration and mitigation		
Additional PSM costs for HTM health products	<ul style="list-style-type: none"> HIV, TB and malaria grants will cover any increase in the unit price costs of HIV, TB and malaria health products. For increases to HTM PSM costs (including freight, warehousing and distribution costs), C19RM funds can be used for the incremental that cannot be covered by the HIV, TB and malaria grants. Where net increases in PSM costs exceed available HIV, TB and malaria and C19RM savings, funds can be requested through C19RM Portfolio Optimization. 	
TB/COVID-19 integration	<ul style="list-style-type: none"> Bi-directional screening and testing: increase diagnostic capacity to finding missing people with TB and COVID-19. Procure digital chest X-ray (CXR) with CAD. Diversify molecular test multi-pathogen platforms through investing in alternates which can also enable decentralise testing at lower levels and in community settings. TB diagnostics can be procured as part of the integrated TB and COVID-19 response Consider mobile diagnostic unit/package with CXR with CAD, rapid molecular diagnostics and mobile vans/vehicles. 	<ul style="list-style-type: none"> Check with Country Teams for help in quantifying PPE/IPC health product needs. Develop capacity in the countries to store and distribute, a four–six-month supply of PPE/IPC health products.

Key Priority Areas of investment to maximize impact 4/5

Priority areas	Considerations for Reinvestments	Additional Comments
3. Enhance systems & infrastructure		
Pandemic Preparedness	<ul style="list-style-type: none"> Identify investment opportunities, consistent with C19RM scope, identified in national action plans for health security and/or PP assessments such as joint external evaluations (JEE). 	
Lab surveillance, strengthening & integration	<ul style="list-style-type: none"> Strengthen integrated laboratory systems and Dx networks. Laboratory capacity strengthening activities should not be disease specific but across pillars. Integrate COVID-19 testing into routine testing cascade for HIV, TB, malaria, febrile, respiratory illness and lab-based disease surveillance, routine environmental surveillance (Wastewater based surveillance) 	<ul style="list-style-type: none"> Focus should be on sustaining capacities developed through the pandemic. Enhance sample referral networks, LIS, HR capacity, equipment service and maintenance, Participation in External quality Assessment schemes for HTM, COVID-19 and others. Use CMLI Project STELLAR, where useful (consult Country Teams as needed).
Surveillance & Response, Routine HMIS	<ul style="list-style-type: none"> Strengthen country capacity to detect COVID19 surges and hotspots by <ul style="list-style-type: none"> making country appropriate shifts to event based and sentinel Improving laboratory linkages to surveillance systems. investing in data systems, digitalization and data use to detect COVID-19 surge and emerging SARS-CoV-2 variants. enhancing capabilities and capacities to respond Strengthening early warning surveillance for pandemic preparedness 	<p><u>Focus should be:</u></p> <ul style="list-style-type: none"> Investments that can be implemented by 2023. Transition and stabilizing COVID-19/pandemic surveillance. Build upon existing investment plan for routine HMIS.
Community Health/CHW	<ul style="list-style-type: none"> Invest systematically across eligible health policy and systems components, aligning with WHO normative guidance and supporting systems' readiness to scale. Undertake an analysis of funding gaps across eligible health policy and systems components to determine what is already covered by other funding sources, what gaps remain and what to include in C19RM reprogramming requests. Use the CHW Programmatic Gap Table to undertake the funding gap analysis. 	<ul style="list-style-type: none"> Ensure systematic investments across health policy and systems supports for CHWs of all types (including peers and other community cadres supported by CLOs and CBOs) filling gaps within existing funding before expanding / scaling to new geographic areas. Prioritize investment in high value/high volume investments. Consider feasibility of execution of activities by 31 December 2023 (C19RM use by deadline). Consider investments that would enable countries to use C19RM to start CHW investments that would normally have to wait until the 2023-2025 allocation period. C19RM funding can initiate investments that can be continued, funded and expanded further under the 2023-2025 allocation period HTM grants (if approved by the Board) or other funding sources. Ensure investments will be continued in the future through Global Fund funding (if approved by the Board) in the 2023-2025 allocation period or through other funding sources.

Key Priority Areas of investment to maximize impact 5/5

Priority areas	Considerations for Reinvestments	Additional Comments
3. Enhance systems & infrastructure (continued)		
Supply Chain Strengthening	<ul style="list-style-type: none"> Invest in effective supply chain governance including the creation, review and renewal of national strategic plans; governance structures (e.g., logistics unit); leadership development (such as STEP 2.0) and continuous improvement approaches. Build capability for surge capacity and pandemic preparedness: in storage and distribution; optimization of distribution, warehousing and inventory related processes and operations. Improve data management and use: WMS, LMIS, systems integration and interoperability; data analytics and visualization; accelerate data use culture. 	<ul style="list-style-type: none"> Leverage C19RM funds to serve as a catalytic investment into long standing supply chain priorities that need addressing today and into the 2023-2025 allocation period. Prioritize investments into key areas that will generate maximum impact over the next 12 months to mitigate key supply chain risks and accelerate maturity of supply chains.
Pre-year for new Strategy - RSSH & PP	<p><u>Other areas of possible investments include but are not limited to the following:</u></p> <ul style="list-style-type: none"> Health product waste management. Community-led monitoring. Human resources for health (HRH). Community engagement & leadership, social mobilisation. Community systems strengthening (including research & advocacy). Private sector engagement. 	<ul style="list-style-type: none"> Effective use of C19RM funds rests on aligning C19RM re-investments with the priorities of the 2023-2025 allocation period. Leveraging the partnership model, countries should focus on key interventions and bring forward the start date of future planned strategic priorities through reinvestment of C19RM funds.

Available resources on C19RM reinvestment planning

The [Global Fund website](#) provides technical guidance to support in-country partners to better align C19RM funding to their country's context, national priorities, implementation experience, global goals and the 2023-2028 Global Fund Strategy.

- **[COVID-19 Response Mechanism Technical Information Note \(French\)](#)**: outlines the direct COVID-19 recommended activities that can be funded under C19RM across the three broad categories supported by C19RM funding (COVID-19 control & containment, HIV, TB & malaria mitigation, reinforcement of key aspects of health & community systems).
- **[Annex 6: Guidance for C19RM Reinvestment Planning](#)** (French translation in progress): published 20 July 2022, the annex describes key priority areas to be considered for immediate reinvestment and C19RM Portfolio Optimization later in 2022.

Health Product Update – C19RM

Updated Health Product Segmentation Framework

- Updates in May support some of the changes in the C19RM Guidelines related to **procurement channel change simplification** through designating more products as “local sourcing advised/possible”
- Includes **new/newly eligible products** such as antivirals, TB cartridges, etc.
- **Disaggregates some categories** for clarity
- **No changes to the reporting template or modalities** for non-PPM reporting

[English version](#)

[French version](#)

Funds for Reinvestment driven by unused budget

- For PPM, analyses show that funds available for reinvestment are linked **primarily to unused budget**, that is procurement initially planned but not yet materialized – and potentially not needed
- Whilst there have been some **notable price decreases in key commodities** (i.e., Ag RDTs, PPE, Cepheid PCR), often savings in product cost (especially PPE) have been **absorbed by relative increases in absolute freight costs** that are the same or have increased as a result of global impact on supply chains
- **Updated reference pricing for products and freight costs** have been published on our external website.

Planning for the handover of new, large equipment

- C19RM investments have funded the procurement of different types of large equipment that often require site preparation involving some levels of construction, and, therefore, third-party expertise.
- Critical that this procurement is sufficiently planned:
 - overall budget is sufficient, including pricing and provision for installation, maintenance, and warranties
 - period required for installation including local construction prerequisites - may delay handover before end 2023 if not commenced soon

Updated Health Product Lead-time, Pricing and Cost Guidance

Lead-times to plan for compliant delivery

Deliveries should be planned to arrive by 30 September 2023 (to avoid slippage beyond 31 December 2023)

COVID-19 health product cost reference prices

Freight cost guidance for COVID-19 and HIV, TB & malaria products



Category and Product-level Procurement and Delivery Planning Guide – Health and non-health products

Indicative Lead Times
14 July 2022

This document lays out indicative lead times for planning purposes for key health products, including COVID-19, HIV, malaria, and non-health products, for the Global Fund's Pooled Procurement Mechanism (PPM). This information may also be useful as a reference for other procurement channels.

Whilst many countries are relaxing their Covid-19 control measures, global supply chains remain stressed with both reduced capacity and congestion. Price pressures remain on freight costs including from the significantly increasing oil prices in 2022.

This version provides updated advice including reductions in for example airfreight lead-times with more flight routes opening for many destinations. We should however not take these reductions with any complacency though.

Principal Recipients remain advised to place orders earlier than ordinarily to compensate for these freight capacity constraints.

Very importantly, for your planning, please recall and review the following guidance on the utilization of funds related to the delivery of products

- Products to be delivered before the grant end date: [Guidelines for Grant Budgeting](#) (Section 2.1.1.)
- For C19RM funds (all grants), products need to be delivered by 31st December 2023: [COVID-19 Response Mechanism Guidelines](#) (Section 1.3)

PRs should therefore utilize this guidance to determine when to place orders to enable the products to arrive on time.

Noting that supply chain disruptions will remain through 2023, for C19RM products and for grants ending in 2023, we would recommend products should be planned to be delivered before 30 September 2023.

- [English](#)
- [French](#)
- [GDF](#)



Pooled Procurement Mechanism Reference Pricing: COVID-19 diagnostics

Version Q2 2022 – 17th May 2022

This information will be updated periodically, with the latest made available [here](#)

COVID-19 Diagnostic Reagents and Consumables²

Product Description	Manufacturer	Reference price per pack EXW, USD	Reference price per test EXW, USD
RAPID DIAGNOSTIC TESTS: Antigen-RDT			
SARS-CoV-2 - Rapid Antigen Diagnostic Test			\$0.78-\$2.25
RAPID DIAGNOSTIC TESTS: Antigen-RDT Self-Test			
SARS-CoV-2 - Rapid Antigen Diagnostic Self-Test			\$1.00-\$5.00
AUTOMATED PCR TESTS: (Extraction + Amplification Kits)			
Xpert® Xpress SARS-CoV-2, 10T/Kit	Cepheid	\$149.00	\$14.90
Abbott RealTime SARS-CoV-2 RT-PCR Kit, 96T/Kit	Abbott Molecular	\$960.00	\$10.00
Aptima SARS-CoV-2 assay, 250T/Kit	Hologic	\$3,000.00	\$12.00
Cobas SARS-CoV-2 RT-PCR Kit, 152T/Kit	Roche	\$2,092.80	\$10.90
Cobas SARS-CoV-2 RT-PCR Kit, 480T/Kit	Roche	\$5,238.00	\$10.90
Alinity m SARS-CoV-2 AMP Kit, 96T/Kit	Abbott Molecular	\$1,209.60	\$12.60
BD SARS-CoV-2 Reagents, 24T/Kit	Becton & Dickinson	\$408.00	\$17.00
Biofire Respiratory Panel 2.1 (RP2.1), 30T/Kit	BioMerieux	\$3,210.00	\$107.00
MANUAL PCR TESTS: Amplification kits			
Aliplex, 2019-nCoV Assay Kit, 100T/Kit	Seegene Inc.	\$520.00	\$5.20

- [Diagnostics](#)
- [PPE](#)
- [O2](#)
- [Health Equipment](#) (including sequencers, X-ray, incinerators and other hospital & lab equipment)
- [Treatment](#)
- [Non-health products](#) (vehicles, computers)



Indicative reference costs for budgeting purposes: freight, insurance, and quality assurance

Version Q2 2022 – 21 June 2022

This information will be updated periodically, with the latest made available [here](#)

Below are updated **indicative** reference costs for freight, insurance, and quality assurance as a percentage of product value for some key product categories to support budgeting.

This information is based on actual freight cost transactional data from the Global Fund's Pooled Procurement Mechanism over a two-year period (2020-2022) and forecasts freight, insurance and quality assurance reference costs based on current knowledge.

- Insurance and quality assurance forecast reference costs are relatively straightforward to forecast
- The international freight market is not straightforward. It is a dynamic fluid market influenced by a wide range of factors: such as geo-political events, equipment/trade specific challenges, country specific challenges and COVID-19 restrictions. Therefore, freight costs are very complex to forecast in any form – whether as a value, trending percentage or as a proportion of product value.

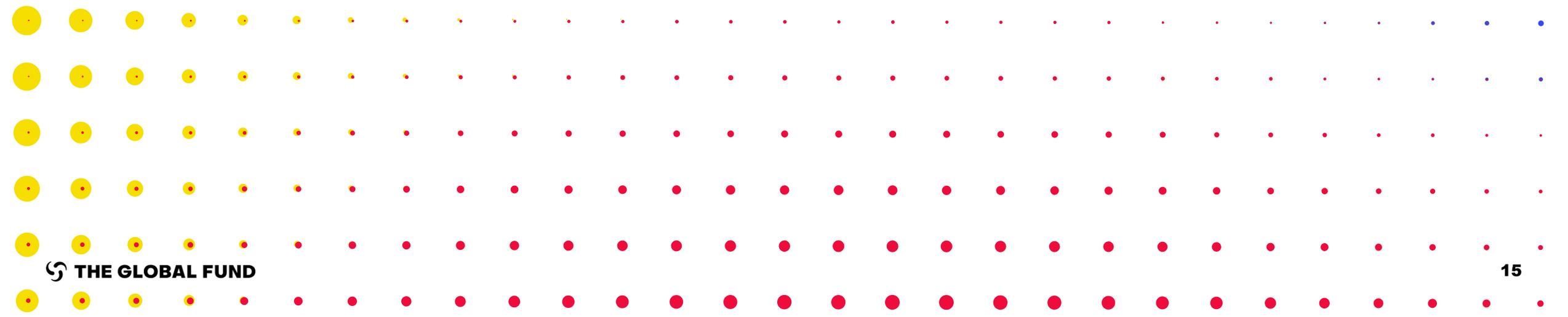
This guidance document provides an insight as to the forecast freight costs as a proportion of product value even though they are not directly related to product value. This approach comes with some limitations by design; therefore, the following considerations are essential to consider and contextualize for each specific situation.

- [English](#)
- [GDF](#)



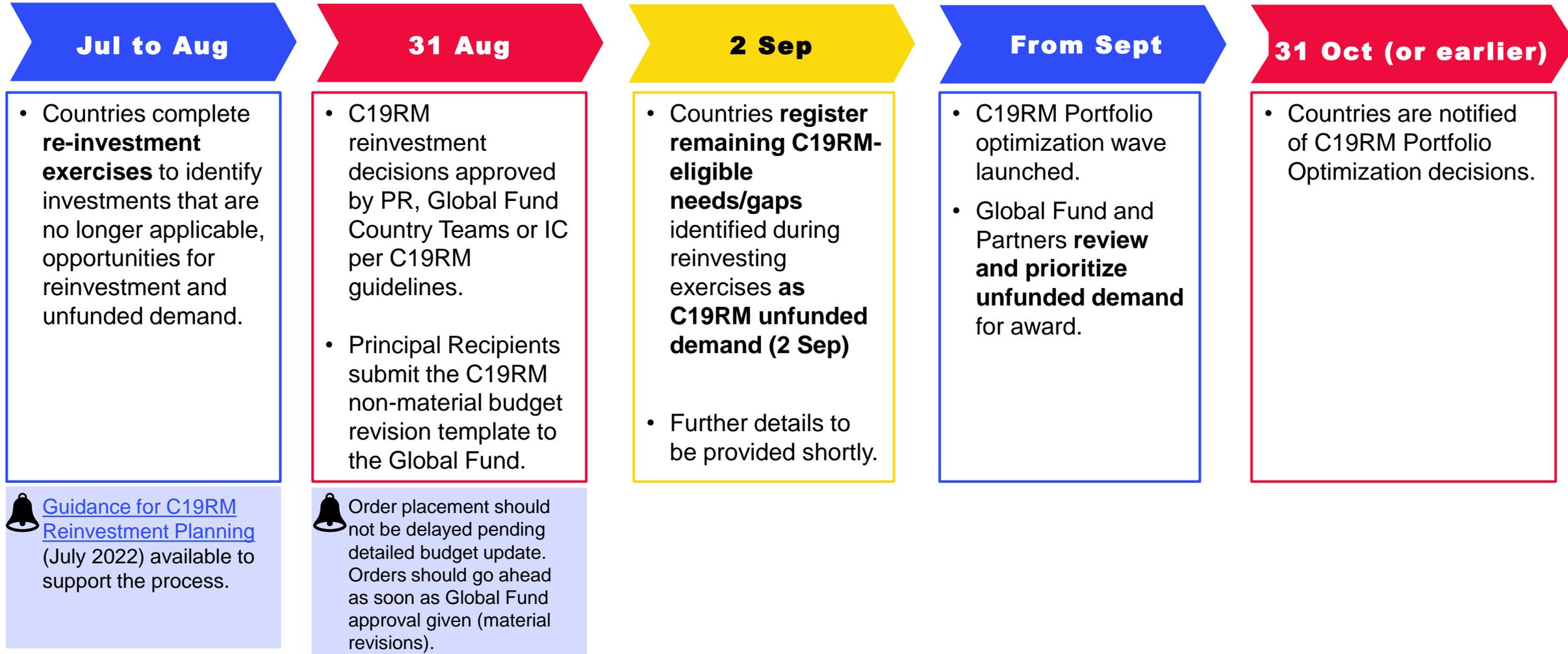
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C19RM Guidelines - Reinvestment



Re-invest C19RM funds → Register C19RM unfunded demand

Timelines for reinvesting exercises in 2022



Continuous re-investment process throughout lifecycle of grants to respond to evolving context and needs

C19RM Guidelines - Reinvesting C19RM funds

- [C19RM Guidelines](#) provide a **structural overview** of the C19RM reinvestment process (updated May 2022)
- C19RM 2021 Funds must remain invested in **C19RM 2021 eligible investments**. They cannot be reinvested towards HIV, TB and malaria activities **outside the scope** of C19RM.
- Savings/efficiencies from C19RM 2021 funds can be reinvested to **scale up activities approved for immediate award or C19RM 2021 Unfunded Demand**
- The reinvestment approach provides an opportunity to invest in **new science and technology**, where available.

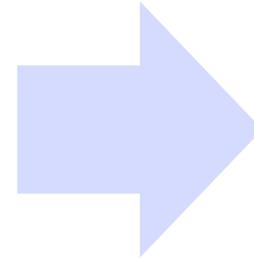
Original guidance on
reinvesting C19RM funds

Updated guidance on reinvesting
C19RM funds to be applied by
Principal Recipients

Revisions do not compromise Risk Assurance

Diagnostic vs Non-Diagnostic and Thresholds

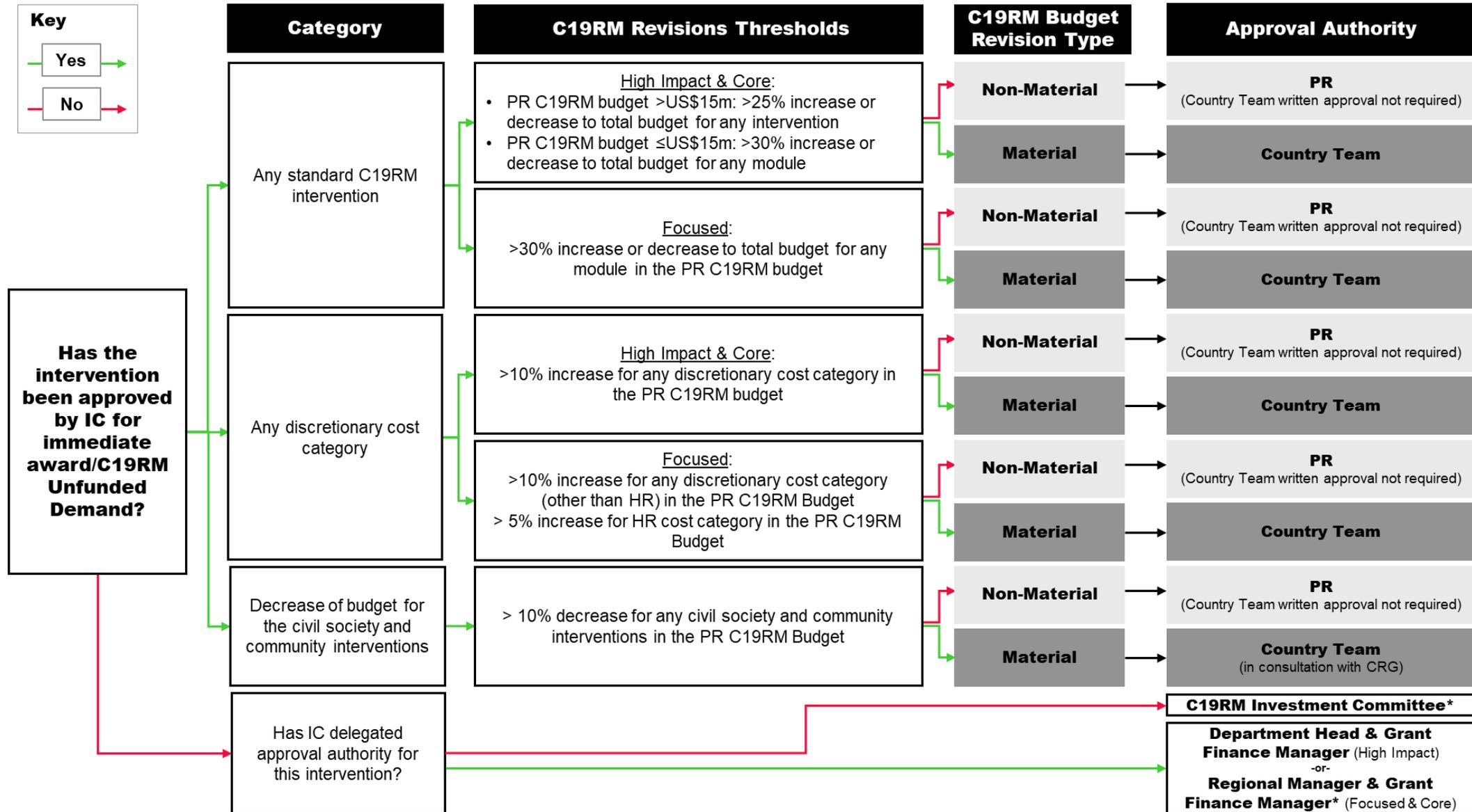
- C19RM revision thresholds within approved interventions are defined by diagnostic budget type
- Approval authority may sit with Principal Recipient, Global Fund Country Team or C19RM Investment Committee depending on specified thresholds.



Material vs. Non-material C19RM Budget revisions

- Revisions by reference to diagnostic budget replaced with **materiality**
- **Increasing thresholds that require Global Fund approval**
- **New interventions still require C19RM Investment Committee approval**
- Non-material revisions are **cumulative** and multiple non-material revisions **may trigger material budget revisions**.
- The use of **foreign exchange gains** will be governed by the [Guidelines for Grant Budgeting](#) subject to the approval thresholds set out in C19RM Guidelines.

C19RM reinvestment thresholds and approval authority



*C19RM Investment Committee or Department Head/Regional Manager + Grant Finance Manager approve (based on Country Team, TAP, CRG, SO, Risk inputs). Activities must fall within existing C19RM interventions (See the C19RM Modular Framework). CCM Chair and Civil Society representative sign the reinvestment request following discussion with the CCM. Additionally, COVID-19 control and containment interventions require endorsement by the National COVID-19 response coordinating bodies.

C19RM Non-material Revisions



- **Updates to the C19RM Guidance** related to **non-material C19RM budget revisions** include
 - **increasing flexibility to Principal Recipients on the budget thresholds** for C19RM revisions that require Global Fund approval
 - Principal Recipients **completing and submitting the C19RM non-material budget revision** (provided by the Global Fund Country Team) with all non-material budget revisions undertaken to the *PR C19RM Budget* for the preceding period or upcoming non-material budget revisions (by module and intervention).



- Non-material revisions are **cumulative** and multiple non-material revisions **may trigger a material budget revision**.
- C19RM 2021 Funds must remain invested in **C19RM 2021 eligible investments**.
- **Principal Recipients have an obligation to ensure this** for all types of revisions.

Principal Recipient

- Ensure **appropriate mechanisms are in place to track** and ensure that **cumulative non-material budget revisions do not constitute a material revision** without prior Global Fund approval.
- Follow their internal procedures for budget modification and **obtain an explanatory note and formal approval at the Principal Recipient level**.
- Complete and submit to the Global Fund the **C19RM non-material budget revision template** with non-material budget revisions undertaken to PR C19RM Budget for preceding period / upcoming non-material budget revisions, by module and intervention, **one month after PU/DR validation and once per year**.

Global Fund Country Team will provide Principal Recipients with non-material budget revision template pre-populated with latest *PR C19RM Budget*



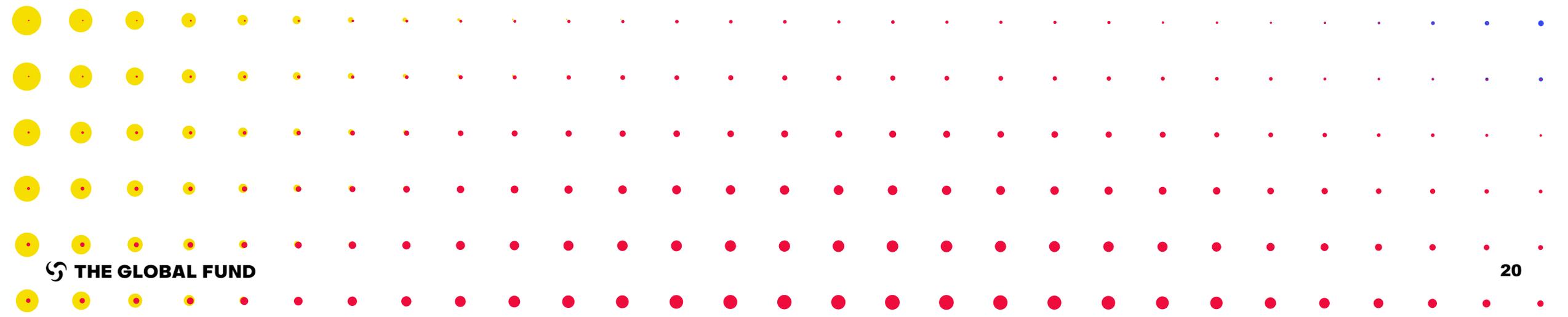
NEW

31 Aug



4

Q&A



Thank you!



The Global Fund to Fight
AIDS, Tuberculosis and Malaria

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