

User Guidelines for the COVID-19 Response Mechanism Health Product Management Template

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Introduction

The COVID-19 Response Mechanism (C19RM) Health Product Management Template (HPMT) supplements the [Grant Cycle 7 \(GC7\) HPMT](#). It provides specific guidance on C19RM HPMT, which enables applicants to request new and/or additional health products under the C19RM extension. The C19RM HPMT is part of the package of [C19RM application materials](#) and should be read in conjunction with other C19RM guidance documents, such as the latest C19RM Guidelines (link forthcoming) and [C19RM Technical Information Note](#), among others.

New features and improved functionalities of GC7 HPMT have been incorporated in the C19RM HPMT. The features applicable to C19RM HPMT are summarized below, but applicants are also encouraged to refer to the [GC7 HPMT User Guidelines](#) for further details:

- As per the [Guidelines for Grant Budgeting](#) (paragraph 23), the budget phasing has been changed from “timing of cash outflow” to “**timing of actual implementation of activities**”. Applicants are required to align the HPMT budget phasing with this requirement. To support this update, the “Payment Modality” in the HPMT has been locked to “At Delivery” only.
- Applicants have the option to (1) select procurement channel at the product category level on the “SET UP” sheet; and (2) specify procurement channel at product-level.
- The HPMT aligns grant quarters with calendar quarters.
- Applicants have the provision of planning their procurement up until December 2025 regardless of the stream of C19RM funding (i.e., additional funding or use of savings¹) towards additional health products procurement.
- Countries can budget HPM costs as a percentage (%) or as a fixed cost (amounts in figures). Countries can also assign different percentages in different years or different fixed costs in different quarters.
- Although not a new feature, please note the following when entering TB diagnostics and consumables in the HPMT: Truenat MTB, MTB Plus and MTB-RIF tests as well as Xpert MTB/RIF and Xpert MTB/XDR tests can be found under section 4 of the tab “*Lab & other HPs > category Lab equipment > Bidirectional testing*”. Refer to C19RM Health Product Management Template Annex.

¹ Savings are any cost efficiencies from completed orders or unused funds for either health products or non-health products related activities (i.e., budget from cancelled activities).

- The C19RM HPMT now enables countries to indicate which types of funding are being requested/used, and accordingly the type of HPMT being presented: (i) incremental HPMT, (ii) reinvestment HPMT, or (iii) C19RM Grant HPMT (consolidated). See the screenshot below for where users can select the relevant type of funding. Note: the difference between the Incremental HPMT and Reinvestment HPMT is explained further below and in the next sections.

Grant Period	Year 1	Year 2	
Start Date	1/Jan/2021	1/Jul/2021	
End Date	30/Jun/2021	30/Jun/2022	

If your grant starts or ends within a quarter, or if the implementation period is different from the country's fiscal year year should be 31-Mar, 30-Jun, 30-Sep, 31-Dec only

- **Incremental C19RM HPMT**: blue header.
 - **Reinvestment C19RM HPMT**: orange header.
 - **C19RM Grant HPMT (Consolidated)**: black header.
- Incremental and Reinvestment C19RM HPMT are referred to as C19RM Funding Request (FR) HPMT in the latest C19RM Guidelines. Applicants using the **incremental and reinvestment HPMTs are required to submit their HPMTs along with the rest of the C19RM Portfolio Optimization Wave 2 application package**. Additional instructions on completing these different HPMTs are provided in the following sections.
- Applicants are strongly recommended to read and follow the instructions written on the different worksheets of the HPMT.
- If the applicant needs further help or guidance, please contact your respective Country Team.

Incremental C19RM HPMT

- Applicants submitting an additional funding request for health products under C19RM Portfolio Optimization wave 2 are required to complete an **Incremental C19RM HPMT**, as part of the application package.
- This should include all **new health products and/or additional quantities of health products** over the period of 2023-2025 in line with the latest Global Fund

C19RM Guidelines (link forthcoming), [C19RM Technical Information Note](#) and [C19RM Health Product Segmentation Framework](#).

Reinvestment C19RM HPMT

3. As part of the application for **additional funding under C19RM Portfolio Optimization wave 2**, applicants are required to provide details of ongoing and planned procurement of health products in 2023 and beyond, using C19RM 2021 funds including reinvestment of any savings. For this, applicants are required to complete a **Reinvestment C19RM HPMT** which captures:
 - a. Health products using C19RM savings (as of end Dec 2022) that are proposed for procurement to cover the period 2023-2025. This includes new health products or additional quantities of health products that were approved in earlier rounds.
 - b. Health products planned for procurement in 2023, as originally approved. These can be sourced from either PPM or non-PPM procurement channels (e.g., GDF, UN agencies, national procurement).
 - c. Any associated HPM costs should also be included, which may include procurement service agent fee, freight as well as in-country HPM costs such as QA/QC costs, warehouse, and distribution costs.
 - d. Health products that have been ordered before 1 Jan 2023 but have not yet been fully delivered by end of 2022. This includes health products that have not been reported as expenditure in the 2022 PU/DR and therefore need to be budgeted. For example:
 - **Non-PPM channels:** health products procured locally or via other non-PPM channels, but part or full payment is yet to be done. These include instances where:
 - Orders are placed or contracts with local suppliers signed with no advance payment and deliveries are pending. The C19RM HPMT should include budget for the total contract value.
 - Orders are placed or contracts with local suppliers are signed, along with advance payment for part of the total contract value. The C19RM HPMT should budget for the remaining contract value, if the advance amount has been reported as expenditure in the 2022 PU/DR, referred to under point 7 below. However, if the advance

amount is only reflected as cash flow in the 2022 PU/DR, then the C19RM HPMT should include budget for entire contract value.

- Contracts with local suppliers signed for multiple deliveries. Some of the deliveries have been completed and paid for. The C19RM HPMT should budget for remaining contract value, including products not delivered and associated HPM costs.
 - **PPM channel** – Requisitions in pipeline.
 - **PPM channel** – All electronic purchase orders (ePOs) that have been issued and are pending to be completed (ePOs that have not been invoiced). These include instances where:
 - Orders are placed but no deliveries have been made. The C19RM HPMT should include budget for total purchase order value.
 - Orders are placed, along with advance payment, for part of the total order value made (e.g., oxygen PSA plants ordered via PPM/wambo.org). The C19RM HPMT should include budget for remaining purchase order value, if the advance amount has been reported as expenditure in the 2022 PU/DR, referred to under point 7 below.
 - Orders are placed but only partially delivered. The C19RM HPMT should include budget for remaining purchase order value, which includes products not delivered and associated HPM costs.
 - Orders are placed and shipment fully delivered. Products costs have been invoiced and paid but HPM costs not yet invoiced. The C19RM HPMT should budget for HPM costs as fixed cost (refer to point 5 below).
4. Health products requiring service and maintenance (such as oxygen PSA plant), if procured via PPM/wambo.org, need separate requisitions to be raised for maintenance services. For instance, the orders for the oxygen PSA plant and relevant warranty may have been placed and, in some cases, products delivered/installed. Then, the C19RM HPMT can budget for service and maintenance in subsequent years (2024 and 2025). Applicants can refer to the initial estimates provided by Procurement Service Agent, which include maintenance costs per year.
5. Where there are only HPM costs to be paid in 2023, applicants can use the “Fixed costs” tab in the C19RM HPMT to budget. In the activity description (column E) of

fixed costs tab, applicants should specify the health product(s) or the requisition/purchase order/contract number relevant to these HPM costs.

2021-2022 Expenditure on Health Products

6. To support the funding request, applicants are required to demonstrate the progress made in health products procurement in 2021 and 2022 (the first two years of implementation).
7. The data on the expenditure on health products in 2021 and 2022 is sourced from the latest Progress Update and Disbursement Request (PU/DR). The details of this expenditure against each cost category 4 to 7 are available.
8. The PR Finance Specialists should work closely with PR PSM Specialists to note any reported financial figures for December 2022 PU/DR. All commitments² should be reflected in the **Reinvestment C19RM HPMT** in the relevant 2021/2022 quarters when orders were placed. Any new and planned orders will start in 2023.

² Commitments are orders that (1) have been placed but have yet to be paid; or (2) advances paid but only reflected as cash outflow in the 2022 PU/DR.