KENYA COORDINATING MECHANISM

REPORT OF THE KCM GOVERNMENT CONSTITUENCY FEEDBACK MEETING HELD ON

15TH TO 18TH FEBRUARY 2021 AT LAKE NAIVASHA RESORT

1.1 EXECUTIVE SUMMARY

This report highlights sessions covered and recommendations made during the Government Constituency meeting held from 15th to 18th February,2021. Key issues discussed during the meeting include update on GF operations in Kenya, GF Grant making and negotiation process, approach to the implementation of KCM Strategic plan, update on GF grant performance, VAT Exemption process, strategies to strengthen procurement, supply and management systems and accountability of Global Fund Grants in Kenya. The meeting further discussed the strategies to strengthen participation of GOK members during KCM Decision making process.

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Acronyms

CHMT	County Health Management Team

CHU	Community Health Unit
CHV	Community Health Volunteer
COVID	Corona Virus Disease
DNMP	Division of National Malaria Program
GF	Global Fund
Funding RA	Funding Request Application
KCM	Kenya Coordinating Mechanism
KEMSA	Kenya Medical Supplies Authority
KRCS	Kenya Red Cross Society
MOH	Ministry of Health
NASCOP	National AIDS and STIs Control Program
NTLLP	National Tuberculosis, Leprosy and Lung Program
PR	Principal Recipient
SR	Sub Recipient
TNT	The National Treasury
USAID	United States Agency for International Development

2.0 Introduction/Background

The Global Fund assesses CCMs through 6 Eligibility requirements. Constituency engagement is a key eligibility requirement for CCMs. One of the strategic objectives of the KCM is to engage constituencies and share Global Fund information transparently, equitably and accurately.

To ensure inclusivity and participation at all stages of Global Fund grant management, KCM brings together eleven Constituencies. National and County Governments, Faith Based Organisations, development partners, Civil Society Organizations, private sector, development partners, communities, Key Populations, persons living with and affected by the diseases and adolescents and young persons. The Government Constituency is represented in KCM by, the Ministry of Health, the National Treasury, the County Government, KEMRI, NACC, and the Ministry of Devolution.

The KCM Government Constituency held a Consultative workshop on 15th to 18th February,2021, the meeting was attended by KCM GOK members, Heads of Programmes, Counties/COG representatives, KEMSA and the National Treasury.

3.0 Purpose and Objectives

Purpose

Engage with KCM GOK Constituency members and share information on GF Programming in Kenya.

Specific objectives

1. Orient members on the new Global Fund Grant/ discuss Implementation arrangements
2. Discuss strategies to strengthen the participation of Government Constituency in KCM/GF Decision Making Process
3. Review Global Fund Grants Performance / Discuss strategies to ensure continuous improvement of grant performance.
4. Share updates on KCM performance /Governance processes/ compile KCM GOK Constituency report

4.0 Sessions Covered/Discussion

Day 1.

5.0 Introductions

Members arrived at the Lake Naivasha resort and the meeting kicked off at 9.30am. Measures on prevention/mitigation of the Covid-19 were observed. Meeting opened with a word of prayer.

The morning session chair Dr. Ischar Oluoch-*KCM Member representing the COG* welcomed members to the session. Lead the meeting through introductions. New KCM Members including Ms. Eunice Fedha and Ms. Khalta Ali both representing the COG and Mr. Stephen Muiruri as the TNT Alternate member were welcomed to the KCM.

6.0 Meeting Objectives /CCM Eligibility requirements / KCM Updates

The KCM Coordinator took members through the meeting objectives/CCM Eligibility requirements/Updates from the KCM. The presentation entailed; **CCM Eligibility** Transparent and inclusive FR development process.2. Open and transparent PR selection process.3. Oversight planning and implementation. 4. Processes for non-government CCM member selection.5. CCM membership of affected communities.6. Management of conflict of interest on CCMs /Code of Ethical Conduct

Specific Functions To coordinate, approval, endorsement and submission of Funding RA.2 To select Principal Recipients through a transparent and documented process. 3. To oversee the implementation of activities under the Global Fund approved programmes, including approving major changes in the implementation plan. 4. To evaluate the performance of Global Fund grants and Principal Recipients including major changes to programme plans. 5. To ensure linkages between GF assistance and other assistance and programmes in line with national priorities/NSPs. 6. To ensure all relevant constituencies are involved in the decision-making process for the Global Fund grants

Government: Define the legal and policy environment within which responses to the three diseases are developed. Manage a large share of the health infrastructure and work force. Provide support for an empowering environment, advocacy, oversight, and implementation, particularly with national ministries and disease-specific agencies. Health Sector coordination and improving aid effectiveness. **Timeline for Kenya grant-making and grant signing:** 22nd January 2021- Country submits applicant response forms + grant documents. **25 Jan –**

5 February 2021- GF / LFA review; **8 February – 5 March 2021-** Grant negotiations with country stakeholders through virtual meetings; **12 March 2021-** Country submits final grant documents + applicant response forms to CT; **24 March 2021-** Deadline for CT to submit documents for GAC meeting; **15 April 2021-** Grant Approval Committee (GAC) Meeting; **17 May 2021**- Estimated Board Approval; **June 2021-** Estimated Grant Signing ahead of 1 July 2021 start date.

The Grant Making Chair- Mr. Peter Kimuu took members through the National Treasury TB Grant Review discussions with the Global Fund Team. The presentation highlighted.

Members took part in the virtual Global fund grant negotiations meeting where the national treasury made its presentation on the National Treasury PR TB Grant Review discussions as highlighted above.

Members then took part in a Plenary session. Concerns raised are included in the matrix below.

The afternoon session chair Mr. Steven Muiruri welcomed members to the afternoon session. The presentation was as follows

7.0 Overview of the KCM Strategic Plan presentation

Reflection on the previous SP 2015 to 2020; The 2015-2020 strategic plan sought to strengthen the functioning of the KCM by considering changes occasioned by the Global Fund New Funding Model, and addressing the weaknesses identified through the KCM Eligibility and Performance Assessment (EPA) conducted in 2014. Driven by the core functions of the KCM, five strategic objectives were derived: To build the capacity of KCM partnership, decision making processes and support structures. To improve grant performance and management through robust oversight. To engage constituencies and share information transparently, equitably and accurately. To improve the performance of Global Fund grants. To engage constituencies and share information transparently, equitably and accurately. Some of the key gains from the 2015 to 2020 strategic planning period are: The operationalization of a reformed KCM structure, Continued coordination and linkages with stakeholders, Improved performance of GF grants, Improved knowledge of members through orientation of new members, Dialogue and constituency meetings, Development and implementation of a communication strategy, and Adept oversight through regular oversight meetings, review of dashboards and feedback. The KCM strategic plan 2021-2025 will leverage on the achievements and lessons gained from the previous strategic plan of 2015-2020. THE 2021-2025 STRATEGIC PLAN; This strategic planning period will lay

emphasis on the oversight mandate, representation and growth of the KCM to build on grant performance.

Vision: Optimal, accountable, and transparent stewardship towards ending HIV and AIDS, Tuberculosis and Malaria

Mission: Harnessing full potential of partners and resources to fight HIV and AIDS, Tuberculosis and Malaria in Kenya, through Good governance, Transparency, Inclusivity, Engaging, Accountable and Non-conflicted

Strategic outcome 1: Strengthened devolved engagement (Background)- Kenya's 2010 constitution devolves health care services with specific functions mapped between the national and county governments, guided by the Kenya's Intergovernmental Relations Act, 2012. Currently GF grants are managed by the national government through the National Treasury, the national disease programs and the national AIDS control council, raising questions over GFs promise to adhere to the principle of country ownership.

*Intermediate outcomes***;** Engaged county governments in grant making and oversight**;** GF financing at county level through existing devolved structures**;** Resources and programmatic results accounted for by Counties. *Interventions*: Engage counties in the grant making as well as continuous and active participation in KCM meetings to facilitate grant oversight. Establish a funds flow process that enhances value for money in the implementation of GF activities as it leverages on existing National and County structures without the need to set up parallel assurance and control mechanisms. *Key challenges*: Implementation arrangement in the context of devolution that complies with GF recommendations: (a) Feasible, (b) Acceptable under the current Devolved System of Governance, and (c) Cost-Effective. Inherent inability of counties to implement activities and account for grant funds in a timely manner. Coordination of 47 implementers could delay the flow of funds from the central level, the absorption of funds and subsequent reporting. **Strategic outcome 2: Improved quality of services, effective use of available resources and improved grant performance (Background).** *Intermediate outcomes*: Enhanced implementation and absorption of funds disbursed especially to the government implementers. No duplication between programs supported by the Global Fund and other health partners*. Interventions:* Conduct a gap analysis to identify program weaknesses across the implementing agents. Provide technical assistance to PRs and Implementing Agents (IAs) especially in efficiency of procurement and supply chain. Engagement with in-country stakeholders on harmonisation of grants. *Key challenges;* Inaccuracies, duplication and overlaps reporting of results. Inefficiencies in procurement and supply chain affecting program activities and absorption of grant funds.

Strategic outcome 3: Strengthened harmonization in delivery of results; *Intermediate outcomes:* A harmonised KCM where the members are working as a team Inclusive oversight and meaningful engagement; *Interventions;* Development of a nomination criteria by constituencies to the KCM aimed to enhance representation. Continuous capacity building of members. Meaningful, inclusive and active participation by members. Communication channels within KCM and with membership and constituencies strengthened. *Key challenges:* Insufficient capacity, involvement and availability of some members to actively and sufficiently participate in KCM deliberations / represent their constituencies and feedback sufficiently. Slack in understanding of KCMs oversight role vis a vis day to day grant implementation. Inadequate engagement by some constituencies attributed to poor communication, information sharing and competing responsibilities. Relationship challenges within KCM, and with PRs, SRs and other implementing partners which have the potential to impact negatively on the implementation of grants.

8.0 TNT programmatic and Financial Performance/success /Lessons learned /Challenges/strategies to ensure improved grant performance

GF Grant 2018 to June 2021. Its Outline included: GoK constituency strategic interests; Grant allocations; Grant splits; Grant interventions. *GoK Constituency strategic interests*; Stewardship for GF resources; Oversight for GF resources; Control for GF resources**;** Participation in management / participation in implementation of GF grants**.** *Background: FR Disease Splits 2021 – 2024 Implementation Period:* **HIV Amount 271,649,197** ***Allocation utilization*** **period 1 July 2021 to 30 June 2024 Tuberculosis Amount56,694,297***Allocation utilization period* **1 July 2021 to 30 June 2024 Malaria Amount 86,966,676** ***Allocation utilization period*** **1 July 2021 to 30 June 2024 Total 415,310,170.** Background: Matching funds by strategic priority: **HIV** *Strategic priority* Adolescent girls & young women in high prevalence settings, *Amount (US$)* 4,400,000 *Strategic priority* Community led , community-based key populations programming *Amount (US$)* 10,000,000, **Tuberculosis** *Strategic priority* Finding missing people with TB *Amount (US$)* 8,000,000; **Cross-cutting** *Strategic priority* Human Rights *Amount (US$)* 3,800,000 **TOTAL 26,200,000. Background: Approved Allocation: HIV/TB** *Approved Amounts (USD) Within Allocation* 334,344,195 *Approved Amounts (USD Approved Amounts (USD) Prioritized above allocation* **144,947,704. Malaria** *Approved Amounts (USD) Within Allocation* 80,965,974 *Approved Amounts (USD Approved Amounts (USD) Prioritized above allocation* 42,024,060. **Total** *Approved Amounts (USD) Within Allocation* **415,310,169** *Approved Amounts (USD Approved Amounts (USD) Prioritized above allocation* **186,971,764. Overall, 2021- 2024 Grants PR Splits (Revised): The**

National Treasury (State PR) *HIV (USD)* 212,382,567 (82%) *TB (USD)* 47,821,567 (47%) *Malaria (USD).* 66,510,204 (82%) *Total (USD)* 331,433,067 (75%) *% Allocation* 74%. **Amref Health Africa (Non-State PR)** *HIV (USD)* N/A *TB (USD)* 54,657,421 (53%) *Malaria (USD)* 14,455,770 (18%) *Total (USD)* 67,341,109 (15%) *% Allocation* 16%. **Kenya Red Cross Society (Non-State PR)** *HIV (USD)* 45,813,057 (18%) *Total (USD)* 42,385,821 (10%) *% Allocation* 10 %. **Total** *HIV (USD)* 258,195,897 (59%) *TB (USD)* 102,478,988 (23%) *Malaria (USD)* 80,965,974 (18%) *Total (USD)* **441,640,860** (100%) *% Allocation* 100%. % **Allocation** *HIV (USD)* 59% *TB (USD)* 23% *Malaria (USD)* 18% *Total (USD)* 100%. **Budgets and performance frameworks by PR: HIV Grant: Budget by Modules by PRs.** 1 HIV Prevention *Total (USD)* 42,077,283 *TNT (USD)* 19,314,227 ;46% *KRCS (USD)* 22,763,056 ;54%. 2 . MTCT *Total (USD)* 6,452,797 *TNT (USD)* 2,831,750 ;44% *KRCS (USD)* 3,621,047 ;56%. 3. Differentiated HTS *Total (USD)* 4,603,613 *TNT (USD)* 3,300,184 ;72% *KRCS (USD)* 1,303,429 ;28%. 4. HIV treatment care and support *Total (USD)* 178,004,678 *TNT (USD)* 171,751,785 ;96% *KRCS (USD)* 6,252,893 ;4% 5. Reducing human rights-related barriers to HIV/TB services t*otal (USD)* 8,125,422 *TNT (USD)* 2,873,784.48 ;35% *KRCS (USD)* 3,958,591 ;49% 6. RSSH - HMIS and M&E *Total (USD)* 6,232,893 *TNT (USD)* 6,232,893 ;100% 7. Program management *Total (USD)* 12,699,211 *TNT (USD)* 6,444,458 ;51% *KRCS (USD)* 6,254,753 ;49%. TOTAL *Total (USD)* 258,195,897 Total *TNT (USD)* 212,749,081 ;83% *KRCS (USD)* 44,153,769 ;17%. **Human Rights: Module Budget by PR: Allocated amount in USD** *National Treasury* 2,873,784.48 *Kenya Red cross* 3,958,591; *Amref Health Africa* 1,374,954 ***Total*** 8,125,422. % *National Treasury* 35% *Kenya Red cross* 49% *Amref Health Africa* 17%. **Tuberculosis Grant:** 1.RSSH: Health management information systems and M&E – TB specific *Total amount* 3,591,745 *TNT* 3,328,151 -93% *Amref Health Africa* 263,594 -7% 2. TB care and prevention *Total amount* 28,066,036 *TNT* 9,485,766 -34% *Amref Health Africa* 18,580,271 -66%. 3. MDR-TB *Total amount* 12,352,635 *TNT* 8,510,375 -69% *Amref Health Africa* 3,842,260 -31%. 4. TB/HIV *Total amount* 16,289,027 *TNT* 8,667,330 -53% *Amref Health Africa* 7,621,697 -47%. 5. Program management 7,130,594 *TNT*2,937,575 -41% *Amref Health Africa* 4,193,019 -59%. **Totals** *Total amount* **67,430,037** *TNT* **32,929,196 - 49%** *Amref Health Africa* **34,500,841 -51%. Malaria Grant: Budget by Modules by PRs.** 1. Case Management *Total Amount* 21,650,955 *TNT* 14,556,966 -67% *Amref Health Africa* 7,093,989 -33%. 2. Program Management *Total Amount* 8,612,466 *TNT* 4,790,828 -56% *Amref Health Africa* 3,821,637 -44%.3. RSSH *Total Amount* 6,921,696 *TNT* 6,921,696 -100% 4. Specific Prevention Interventions (SPI) *Total Amount* 5,813,545 *TNT* 4,730,678 -81% *Amref Health Africa* 1,082,867 -19 .5. Vector control *Total Amount* 37,967,312 *TNT* 36,945,130 -97% *Amref Health Africa* 933,037 -3% **Total** *Amount* **80,965,974** *TNT*

67,945,298 -84% *Amref Health Africa* **12,931,531 -16%. RSSH: Budget by Module TNT by PR:** 1. RSSH: Community systems strengthening *Total allocation* 5,997,350.87 -0% *Amref Health Africa* 4,338,059 72% 1,659,292 28%. 2. RSSH: Financial management systems *Total allocation* 1,600,424.96 *TNT* 641,440 -40% *Amref Health Africa* 958,985 -60%.3. RSSH: Health management information systems and M&E – Cross cutting *Total allocation* 5,046,209.55 *TNT* 4,078,183 -81% *Amref Health Africa* 968,026 -19%. 4. RSSH: Health products management systems *Total allocation* 4,895,205.57 *TNT* 4,825,581 -99% *Amref Health Africa* 69,624 -1%. 5. RSSH: Health sector governance and planning *Total allocation* 2,160,061.66 *TNT* 1,732,370 -80% *Amref Health Africa* 427,692 -20%. 6. RSSH: Human resources for health, including community health workers *Total allocation* 1,222,674.15 *TNT* 1,119,183 -92% *Amref Health Africa* 103,491 -8%. 7 RSSH: Integrated service delivery and quality improvement *Total allocation* 3,106,418.93 *TNT* 1,422,894 -46% *Amref Health Africa* 1,683,525 -54%. 8. RSSH: Laboratory systems *Total allocation* 5,304,943.04 *TNT* 1,072,720 -20% *Amref Health Africa* 4,232,223 -80% *Total allocation* **29,333,288.71** *TNT* **14,892,371 -51%** *Amref Health Africa* **12,781,626 -44%** *Totals* **1,659,292 - 6%**.

Members then took part in a Plenary session. Concerns raised were summarized in the summary of findings and recommendations.

DAY 2

9.0 GF Grant Outlook July 2021 to June 2024 / TNT programmatic and Financial performance

Performance/success /Lessons learned /Challenges/strategies to ensure improved grant performance -GF Grant 2018 to June 2021. The presentation entailed. **Programmatic performance highlights: Programmatic performance – HIV Grant;** 1. % people living with HIV currently on ART *Target* 83.90% *Performance* 78.48% *Comments* Previous period – 79%. 2. % HIV-exposed infants receiving a virological test for HIV within 2 months *Target* 58.20% *Performance* 65.33%. *Comments* Above target. 3. % of PLHIV in care screened for TB in HIV care or treatment setting *Target* 98.50% *Performance* 91.37% *Comments* Those without TB access IPT. **4. % pregnant women who know their HIV status** *Target* **88.00%** *Performance* **69.44%** *Comments* **Performance related overall decline in health facility visits during COVID19 pandemic.** 5. % HIV-positive pregnant women who received ART during pregnancy *Target* 96.00% *Performance* 93.20% *Comments* Slight increase compared to previous period

6. Number of people tested for HIV and received their results in the period. *Target* 3,167,119 *Performance* 3,348,391. *Comments* Target refers to previous period. **7. % of people living with HIV newly enrolled in HIV care started on TB preventive therapy.** *Target.* **71.80%** *Performance* **78.52%** *Comments* **Low performance though above target.**8. Percentage of population receiving PrEP in Priority populations. *Target* 17.3% *Performance* 14.6% *Comments* 21,104 individuals were receiving PrEP. during period. **9. Number of VMMC performed according to National Standards Actual** *Target* **62,928** *Performance* **26,263** *Comments* **Health facility operations and community mobilization affected by COVID-19 pandemic. Programmatic performance – TB Grant; 1. Number of notified cases of all forms of TB** *Target* **55,531** *Performance* **38,392** *Comments* **-Strengthened focus on SI (innovations & PPM) -Ensure implementation of ACF action plan. 2. Percentage of TB cases, all forms, bacteriologically confirmed and clinically diagnosed successfully treated** *Target* **90%** *Performance* **82.6%** *Comments* **Key interventions include TAs, supportive supervision, TIBU & essential commodities** 3. Number of cases with RR-TB and/or MDR-TB that began on second-line treatment *Target* 387 *Performance* 489 *Comments* Use of gene Xpert as first test for diagnosis has resulted in the increase in the number of primary MDR TB CF. 4. Percentage of registered new and relapse TB patients with documented HIV status *Target* 95.00% *Performance* 97.50% *Comments* Performance attributable to effective TB/HIV integration. 5. Number of children < 5 in contact with TB patients who began IPT *Target* 3,348 *Performance* 4,370 *Comments* Target is number reported for previous period. 6. Percentage of HIV-positive new and relapse TB patients on ART during TB treatment. *target* 95.00% *Performance* 94.00% *Comments* Performance attributable to effective TB/HIV integration **7. Number of notified TB cases (all forms) contributed by private / non-government facilities** *Target* **25.00%** *Performance* **20.70%** *Comments* **Current focus is on scaling up PPM initiatives** 8. Proportion of previously treated TB patients receiving DST (bacteriologically positive cases only) *Target* 90.01% *Performance* 8.09% *Comments* Good access to Xpert testing during the reporting period. **Programmatic performance – Malaria Grant: Number of people with uncomplicated malaria receiving ACTs as per national treatment guidelines.** *Target* **4,690,729** *Performance* **2,406,534** *Comments* **No. of patients presenting to health facilities reduced since the onset of COVID-19 pandemic. Commodity pipeline has been below the minimum stock levels thereby affecting supply to health facilities.** Proportion of confirmed malaria cases that received first-line treatment at public sector health facilities *Target* 99.00% *Performance* 92.78% *Comments* 7% treated with other antimalarials mainly due to unavailability of ACTs. **Proportion of suspected**

malaria cases that receive a parasitological test at public sector health facilities *Target* **75.00%** *Performance* **44.70%** *Comments* **Shortage of RDTs and sub-optimal clinical practices common during reporting period**
Financial performance highlights: PR I Grants (2018 – 2021) Financial Performance:

HIV Grant budget [A] 190,295,823 **Cum budget as at Dec 2020 [B]** 140,964,105 **Exp as at Dec 2020 [C].** 84,913,593 **Commit [D]** 29,009,953 **Oblig [E]** 47,588,397 **Absorp % [C/B]**60 **Absorp % [C/A]** 81%. **TB Grant budget [A]** 36,636,511 **Cum budget as at Dec 2020 [B]** 32,141,314 **Exp as at Dec 2020 [C]** 24,677,486 **Commit [D]** 920,624 **Oblig [E]** 382,445 **Absorp % [C/B]** 77 **Absorp % [C/A]** 80%. **Malaria Grant budget [A]** 74,063,824 **Cum budget as at Dec 2020 [B]** 72,425,868 **Exp as at Dec 2020 [C]** 17,850,290 **Commit [D]** 17,485,785 **Oblig [E]** 2,945,660 **Absorp % [C/B]** 49 **Absorp % [C/A]** 53%. **Total Grant budget [A] 300,996,158 Total Cum budget as at Dec 2020 [B] 245,531,287 Total Exp as at Dec 2020 [C] 127,441,369 Total Commit [D] 47,416,362 Total Oblig [E] 50,916,502 Absorp % [C/B] 52 Absorp % [C/A] 71%**

Key programmatic performance issues and mitigation measures: Quality issues in implementation of activities Vertical implementation of activities at county level E*ffects*-Devolved units not accountable -No systematic mechanisms to follow up on performance gaps -VfM concerns *Mitigation measures* -Work with HSWG to strengthen programme –county collaboration **Procurement related issues** Unstable commodity pipelines *Effects* -Stock-outs e.g. ALs, mRDTs *Mitigation measures* Strengthen PSM oversight MOH internal procurement processes and procedures that may not conform to GF policy -Delayed procurements -FM risks *Mitigation measures* Strengthened PR oversight and advice to programmes **Activity implementation challenges** Activity organization challenges related to lengthy bureaucratic process associated with the MoH supervisory hierarchy (Programme - Department - Directorate - PS) *Effects* -Slow implementation of grant activities *-Postponed activities. Mitigation measures* -PR engagement with MOH supervisory level structures -High level PR / MOH meeting currently being planned. Intergovernmental coordination challenges largely affecting activities implemented at county and health facility levels. *Effects* -Postponed activities -effects on quality of implementation *Mitigation measures* -Emphasis on improved engagement with counties with the established intergovernmental communication channels. Inadequate NTP technical staff establishment in relation to tasks *Effects* -Delayed implementation of grant activities *Mitigation measures*

-Strategic PR advocacy with MoH COVID-19 pandemic restrictions *Effects* -Activities not implemented *Mitigation measures* Encouraging innovative approaches - virtual events etc.

Following the lunch break members were taken through the Overview of HIV Grant Documents for 2021 to 2024 implementation period; PR/Program leads to present overview of grant for discussion including: 1. Budget Split by module/interventions; 2. PF indicators/targets 3. HPMT and key commodities. Responses to TRP issues; Implementation arrangement. The presentation entailed. **Outline:** Background, KASF II objectives, KASF II Strategic priorities

HIV Grant budget splits between PR1 & PR2; and between PR 1 implementers, Key interventions, PF indicators, Comments on TRP responses, addressing issues raised from GF review – PR1, NASCOP & NACC. **Background:** Kenya has a generalized HIV epidemic; with a concentrated epidemic in some population segments and geographical areas. The 90-90-90 targets: 90% Kenyans know their HIV status, 74% on ART and 68% had suppressed viral load (KASF II 2020/21 – 2024/25). **KASF II Objectives:** Reduce new infections by 75%, Reduce AIDS-related mortality by 50%. Micro-eliminate viral hepatitis and reduce the incidence of sexually transmitted infections, Reduce HIV-related stigma and discrimination by 25%, Increase domestic financing of HIV response to 50%. **Key strategic intervention priorities:** Ensuring PLHIV are identified early, put on treatment and virally suppressed. Preventive interventions for priority populations (KPs, AGYW, High risk boys and young men in high priority geographies, other vulnerable population etc.) Interventions targeted at KPs, Sexual and reproductive health services, including STIs, Condom and lubricant programming,VMMC

Pre-exposure prophylaxis, Transition and keep girls in secondary school, Elimination of all forms of GBV. **Grant budget splits**: 1. HIV treatment care and support *Total (USD)* 170,813,227 *TNT (USD)* 164,560,334 -96*% KRCS (USD)* 6,252,893 -4*%.* 2. HIV Prevention *Total (USD)* 41,344,955 *TNT (USD)* 18,581,899 -45*% KRCS (USD)* 22,763,056 -55*%.*3 Program management *Total (USD)* 12,507,359 *TNT (USD)* 6,252,606 -48*% KRCS (USD)* 6,254,753 -52*%.* 4. Reducing human rights-related barriers to HIV/TB services *Total (USD)* 6,816,311 *TNT (USD)* 2,857,720 -42*% KRCS (USD)* 3,958,591 -58*%.*5. PMTCT *Total (USD)* 6,592,653 *TNT (USD)* 2,971,606 -45*% KRCS (USD)* 3,621,047 -55*%.* 6 RSSH - HMIS and M&E *Total (USD)* 7,937,766 *TNT (USD)* 6,278,479 -79*% KRCS (USD)* 1,659,287 -21*%..* Differentiated HIV Testing Services *Total (USD)* 9,342,020 *TNT (USD)* 8,011,853 -86*% KRCS (USD)* 1,303,429-14%. TOTAL 255,827,554 *TNT (USD)* 210,014,498 -82*%KRCS (USD)* 45,813,056-18*%.* ***TNT Budget:*** TNT Amount (USD)172,248,052 -82% Comments ARV – 141,088, 506 (67%), PSM – 11,730,267 (6%), Program management – 2,292,019,

Other HP & equipment – 15,404,390. NASCOP Amount (USD) 25,816,211 -12% Comments Meeting/Advocacy related per diems/transport/other costs - 11,053,043, Travel related costs – 1,461,787, Training related per diems/transport/other costs – 4,689,741. NACC Amount (USD) 11,950,235- 6% Comments Meeting/Advocacy related per diems/transport/other costs; & Training related per diems/transport/other costs – 8,228,546. Total Amount (USD) 210,014,498 100%. **Key Interventions: ART coverage;** Est. PLWHIV *2021*- 1,401,598 *2022*- 1,401,598 *2023*- 1,401,598 *Assumptions/comments Spectrum 2020 Estimates 2020.* NSP ART targets *2021* -1,172,066 *2022*-1,200,309 *2023*-1,228,551 *Assumptions/comments* Target coverage 84%, 86% & 88% for Yr. 1, Yr. 2 & Yr. 3 respectively. Number - Domestic resources *2021* -175,810 *2022*-180,062 *2023*- 184,314 *Assumptions/comments* Go co-financing. Number - External resources / PEPFAR *2021* -590,043 *2022*- 592,408 *2023*-318,532 *Assumptions/comments.* PEPFAR COP 19 allocation amount assumed for grant period. Number - Global Fund 2021 – 2024 *2021* -293,017 *2022*-300,104 *2023*- 325,499 *Assumptions/comments* Within allocation. Remaining gap *2021* -342,728 (24%) *2022*- 329,024 (23%) *2023*- 573,253 (41%). **Key Interventions: PMTCT;** Total estimated priority population in need *(2021)* 63,045*(2022)* 63,045 *(2023)* 6,3045 *Assumptions/comments Ref: Kenya HIV Estimates 2020.* NSP Targets *(2021)* 59,000 *(2022)* 60,000 *(2023)* 62,000 *Assumptions/comments Ref: EMTCT Strategic Framework 2016 - 2021 & Kenya AIDS Strategic Framework (KASF II) 2020/21-2024/25.* Number - Domestic resources *(2021)* 0 *(2022)* 0 *(2023)* 0 *Assumptions/comments* ART for PMTCT is consolidated within the treatment, care and support for domestic resources. Number - External resources / PEPFAR *(2021)* 51,790 *(2022)* 51,790 *(2023)* 51,790 a*ssumptions/comments* Spectrum 2020 estimates. Assumption is that PEPFAR maintains same level of funding across this grant period. Number - Global Fund 2021 – 2024 *(2021)* 7,210 *(2022)* 8,210 *(2023)* 10,200 *Assumptions/comments* Within allocation. Remaining gap *(2021)* 4,045 (6%) *(2022)* 3,045 (5%) *(2023)* 1,055 (2%) *Assumptions/comments* Country will continuously mobilize resources to cover the remaining gap. **Key intervention: VMMC**; Total estimated priority population in need (HIV prevention) *(2021)* 1,250,219 *(2022)* 1,180,500 *(2023)* 1,120,566 *Assumptions/comments* Estimates projected from KENPHIA MC prevalence. NSP Targets *(2021)* 250,371 *(2022)* 250,731 *(2023)* 250,731 *Assumptions/comments* Annual no of MCs. Number - Domestic resources *(2021)* 0 *(2022)* 0 *(2023)* 0. Number - External resources *(2021)* 55,844 *(2022)* 70,000 *(2023)* 70,000 *Assumptions/comments* Assumes allocation from PEPFAR. Number - Global Fund 2021 – 2024 *(2021)* 10,300 *(2022)* 10,300 *(2023)* 10,300 *Assumptions/comments 10-14year* old boys among the targeted Remaining gap *(2021)* 184,227 (74%) *(2022)* 170,431 (68%) *(2023)* 170,431 (68%). **Key intervention: Condoms program;** Total estimated priority

population in need (HIV prevention) *(2021)* 12,998,255 *(2022)* 13,319,330 *(2023)* 13,648,496 *Assumptions/comments* Includes males aged 15-49years, number of FSW, number of MSM (2021. 12,741,077+206,609+50,609). Assumed growth rate of 1.0252 pa. Condoms needed –M (*2021)* 438,220,230 (*2022)* 455,992,516 *(2023)* 455,992,516 Assumptions*/comments* General, priority populations and key populations - need drawn from National quantification Report 2019/20 – 2021/22. Condoms needed – F *(2021)* 8,640,600 (*2022)* 8,640,600 (*2023)* 8,640,600 Assumptions*/comments* Includes need for Women living with HIV (10% of all sexual acts covered by FC)

NSP Targets *(2021)* M-60% /F-10% *(2022)* M-60%/F-10% *(2023)* M-60%/F-10% *Assumptions/comments* -42% men used condoms consistently as per the KDHS 2014; assuming that there is an overlap of use of Male and female condoms and the country has been doing targeted FC distribution for FP, WLHIV and FSW. Domestic resources *(2021)* 100,000,000 *(2022)* 100,000,000 *(2023)* 100,000,000 Assumptions*/comments* commercial sector resources - 2%. GoK co-funding - 34% to 36% based on trends from the previous years. External resources *(2021)* 20,944,000 *(2022)* 20,944,000*(2023)* 20,944,000 *Assumptions/comments* AHF/UNFPA. Target to shrink the public sector contribution while increasing the Social marketed and private sector contribution. Global Fund 2021 – 2024 *(2021)* M-34% F- 46% *(2022)* 30% *(2023)* 0. A*ssumptions/comments* Vulnerable populations, AYP & KP allocations. Gap (M&F) *(2021)* 20% /7% *(2022)* 26%/7% *(2023)* 56%/7%. **Key intervention: TB Preventive Treatment (TPT);** Total estimated priority population in need (HIV prevention) *(2021)* 191,565 *(2022)* 191,565 *(2023)* 191,565 Assumptions*/comments* It is projected that at the beginning of this grant, 1 million PLHIV will have been initiated on TPT. NSP Targets *(2021)* 151,977 *(2022)* 151,977 *(2023)* 151,977 *Assumptions/comments* the country targets to reach 50% of those who have never been initiated on TPT but on treatment and 90% of the newly enrolled into care. Number - Domestic resources *(2021)* 37,995 *(2022)* 37,995 *(2023)* 37,995 *Assumptions/comments* Infrastructure and HRH. Number - External resources *(2021)* 35,486 *(2022)* 0 *(2023)* 0 *Assumptions/comments* PEPFAR will support 13,508 in year 1 while CHAI through UNITAID will also support 21,978 in year 1. Number - Global Fund 2021 – 2024 *(2021)* 75,990 *(2022)* 75,990 *(2023)* 75,990 *Assumptions/comments* Procurement of TPT, supporting activities Also focus on other groups /contacts – children <5yrs, prisoners & HW. Remaining gap *(2021)* 22% *(2022)* 40% *(2023)* 40%. **HIV Grant Performance framework indicators:** 1. HIV I-14 Number of new HIV infections per 1000 uninfected population *Impact/outcome/coverage/WPTM* Impact *Retained from current grant / New* Retained *Frequency* Annual *Source of data* Kenya HIV estimates *TNT – Yes(Y) or No(N)m*Y *KRCS – Yes(Y) or No(N)*Y. 2. HIV I-4 Number of AIDS-related deaths per 100,000

population *Impact/outcome/coverage/WPTM* Impact *Retained from current grant / New* Retained *Frequency* Annual *Source of data* Kenya HIV estimates *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y. 3. HIV I-6 Estimated percentage of children newly infected with HIV from mother-to-child transmission among women living with HIV delivering in the past 12 months *Impact/outcome/coverage/WPTM* Impact *Retained from current grant / New* Retained *Frequency* Annual *Source of data* Kenya HIV estimates *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y. 4. HIV I-13 Percentage of people living with HIV *Impact/outcome/coverage/WPTM* Impact *Retained from current grant / New* Retained *Frequency.* Annual *Source of data K*enya HIV estimates *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)*

Y. 5. HIV O-12 Percentage of people living with HIV and on ART who are virologically suppressed *Impact/outcome/coverage/WPTM* Outcome *Retained from current grant / New* Retained *Frequency* Annual *Source of data* HMIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)*

Y. 6. HIV O-21 Percentage of people living with HIV not on ART at the end of the reporting period among people living with HIV who were either on ART at the end of the last reporting period or newly initiated on ART during the reporting period *Impact/outcome/coverage/WPTM* Outcome

Retained from current grant / New New *Frequency* Annual *Source of data* HMIS. *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y. 7. HIV O-19 Percentage of women aged 15-19 who have had a live birth or are currently pregnant *Impact/outcome/coverage/WPTM* Outcome *Retained from current grant / New* Retained *Frequency* Annually *Source of data* KHIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y. 8. HIV O-5(M) Percentage of sex workers reporting the use of a condom with their most recent client *Impact/outcome/coverage/WPTM.*Outcome *Retained from current grant / New* New *Frequency* 3 – yearly *Source of data* Survey *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y.9. HTS-4 Percentage of HIV-positive results among the total HIV tests performed during the reporting period. *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS TNT – *Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 10. PMTCT-2.1 Percentage of HIV-positive women who received ART during pregnancy and/or labor and delivery *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 11. TCS-1.1(M) Percentage of people on ART among all people living with HIV at the end of the reporting period *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 12. KP-1a(M) Percentage of men who have sex with

men reached with HIV prevention programs - defined package of services. *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* NASCOP KP Reports *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* Y.13. YP-2 Percentage of adolescent girls and young women reached with HIV prevention programs- defined package of services *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y. 14. PMTCT-3.1 Percentage of HIV-exposed infants receiving a virological test for HIV within 2 months of birth *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 15. KP-6c Percentage of eligible sex workers who initiated oral antiretroviral PrEP during the reporting period *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* NASCOP KP Reports *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 16. HTS-3d(M) Percentage of people who inject drugs that have received an HIV test during the reporting period and know their results. *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* NASCOP KP Reports *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 17. MEN-1 Number of medical male circumcisions performed according to national standards *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 18. YP-4 Percentage of eligible adolescent girls and young women who initiated oral antiretroviral PrEP during the reporting period *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* New *Frequency* Quarterly *Source of data* KHIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N.19. PMTCT-4 Percentage of antenatal care attendees tested for syphilis *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* New *Frequency* Quarterly *Source of data* KHIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 20. KP-1c(M) Percentage of sex workers reached with HIV prevention programs - defined package of services *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New* Retained *Frequency* Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y.21. KP-1b(M) Percentage of transgender people reached with HIV prevention programs - defined package of services *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New Frequency* Quarterly *Source of data* KPSE, 2028 TNT – *Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y. 22. Number of PLHIV reached by PLHIV Champions/Experts/PEs in the community *Impact/outcome/coverage/WPTM* Coverage / customized. *Retained from current grant /*

New Frequency Quarterly *Source of data* HMIS *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y. 23. Percentage of organizations reporting through the CAPR system Impact*/outcome/coverage/WPTM* Coverage *Retained from current grant / New Frequency* Quarterly *Source of data* KHIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N).* N. 24. Number of clients experiencing violation who were referred to the HIV tribunal and other legal services *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New Frequency* Quarterly *Source of data* HIV Tribunal Reports *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 25. Expand EMR coverage to achieve 100% coverage for 25 facilities at level 4 or 5 and high-volume facilities with patient on care in 7 Arid and Semi-Arid Lands (ASAL) *Impact/outcome/coverage/WPTM Retained from current grant / New Frequency* Annually *Source of data* KHIS *TNT – Yes(Y) or No(N)* Y *KRCS – Yes(Y) or No(N)* N. 26. Number of PLHIV networks supported to enhance disclosure, psychosocial support, adherence and defaulter tracing in the community Impact*/outcome/coverage/WPTM* Retained *from current grant / New Source of data* Capacity Building Reports *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y. 27. Number of needles and syringes distributed per person who injects drugs per year by needle and syringe programs Impact*/outcome/coverage/WPTM Retained from current grant / New Source of data* Commodity consumption report *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y. 28. Number of Mentor Mothers engaged by the KMMP *Impact/outcome/coverage/WPTM Retained from current grant / New Source of data* Programmatic and Payment Schedule Report *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y

29. Assessments conducted to identify key GBV types experienced by WLHIV, KPs and vulnerable populations *Impact/outcome/coverage/WPTM Retained from current grant / New Source of data* Assessment report *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y.30. # of PEs/ paralegals supported to conduct legal literacy programmes for PLHIV, KVPs, adolescent girls and young women, CALHIV and their Caregivers, Migrant workers through the support groups. *Impact/outcome/coverage/WPTM* WPTM *Retained from current grant / New Source of data* Engagement Report *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N)* Y.31. Number of people who were tested for HIV and received their results during the reporting period (Community Based Testing). *Impact/outcome/coverage/WPTM* Coverage *Retained from current grant / New Source of data* Activity Report *TNT – Yes(Y) or No(N)* N *KRCS – Yes(Y) or No(N).* ***Comments on TRP responses***: I Lack of operational detail on HIV testing uptake, case-finding and linkage to care Timeline During grant making Response – Key highlights Subpopulations and gaps in testing and linkage to treatment have been identified. Strategies for scaling up

community-based testing and HIVST have been outlined. Strategies for innovative case finding have been outlined. Review comments /observations – being incorporated. KP – population size estimates, HR issues / mandatory testing? Identification of CLHIV- age of consent and other issues\. Adolescents – age of consent. HIVST – linkage/availability of clinical services packages. Recency testing – GF covers recency surveillance. 2. Insufficient attention to ethical issues in the proposed VMMC activities directed at adolescents aged 10 – 14 years. Timeline During grant making Response – Key highlights Focus on Policy actions taken to ensure prevention of HIV through safe VMMC for adolescent boys and men in generalized epidemics. Review comments /observations – being incorporated Considerations for the best interests of the child TRP concerns on 10 – 14 yrs. age group not addressed TRP recommendations on specifying barriers to access of services, describing plans including policy factors and putting in place systems to monitor & while identifying milestones, costs and sources of funding not yet addressed. 3. Insufficient indicators in the performance framework to assess progress and effectiveness. *Timeline* During grant making *Response – Key highlights* Additional indicators included in PF. Inadequate PF indicators in relation to interventions. Lack of indicators to track CSS investments. KPs testing coverage indicators missing. Misclassification of indicators.4 Large funding gap and risk to sustainable financing of the HIV and TB programs *Timeline* 1. During grant making 2. During grant implementation *Response – Key highlights* Cost saving measures such as integrated and combined programming service delivery integration. Establishing a model for sustainable space for programme efficiency. Domestic resource mobilization. Need to invest in KP prevention and human rights from domestic resources? Activities to support community mobilization, advocacy and monitoring of accountability on DRM not included. **Issues arising from GF review:** There is significant designation of KP related activities to PR 1 There is duplication of some activities between PR 1 and PR 2. Alignment of targets in PF and HPMT. Alignment to Funding Request (KRCS budget). Areas of improvement in PF. TRP comments. Health and health products related issues. Budget and finance related issues.

DAY 3

Meeting opened at 9.10 am with a word of prayer. *The session chair Mr. Jackson Mwangi KCM Member representing the Ministry of Devolution* welcomed members to the meeting

10.0 National Treasury Malaria Grant Review discussions with the Global Fund Team

PR/Program leads to present overview of grant for discussion including: Budget Split by module/interventions; 2. PF indicators/targets; 3. HPMT and key commodities; 4. Responses to TRP issues; Implementation arrangements. Vision: A Malaria-free Kenya; Mission; To direct and coordinate efforts towards a malaria-free Kenya through Effective partnerships; Goal-To reduce malaria incidence and death by 75 percent of 2016 levels by 2023. **Objectives: 1.** *To protect 100 percent of people living in malaria risk areas through access to appropriate malaria preventive interventions;* Distribute LLINs through Appropriate Channels to Achieve and Sustain Universal Coverage in Malaria Risk Areas, Use IRS in the Targeted Areas, Use LSM in the Targeted Areas, Develop, Review, and Update Documents for Malaria Vector Control, Provide IPTp-SP at ANC in Targeted Areas, Engage CHVs to Identify IPTp Missed Opportunities for Referral to ANC in Targeted Areas. 2. *To manage 100 percent of suspected malaria cases according to the Kenya malaria treatment guidelinesŸ* Strengthen Capacity for Integrated Malaria Case Management, Strengthen Capacity for Case Management of Severe Malaria, Provide Malaria Case Management at the Community Level in Targeted Areas, Ensure Quality of Malaria Parasitological Diagnosis, Procure Diagnostic and Treatment Commodities. 3. *To establish systems for malaria elimination in targeted countiesŸ* Establish Structures and Capacity at the National and County Levels to Coordinate and Drive the Implementation of the Elimination Agenda, Develop Capacity for Malaria Elimination, Establish Active Case Detection, Notification, Investigation, and Response Systems for Elimination in Targeted Counties, Strengthen Quality Assurance for Diagnosis, Treatment, and Entomology to Enhance Surveillance, Strengthen SBC for Malaria Elimination. 4. *To increase utilization of appropriate malaria interventions to at least 80 percent Ÿ* Scale Up Malaria Advocacy at National and County Levels for Increased Utilization of Malaria Interventions, Strengthen Community-Based SBC Activities for All Malaria Interventions, Strengthen Structures for the Delivery of Malaria SBC Interventions at All Levels, Strengthen Programme Communication for Increased Utilization of All Malaria Interventions. 5. *To strengthen malaria surveillance and use of information to improve decision making for programme performance Ÿ* Strengthen Malaria Surveillance, Strengthen Malaria EPR, Increase Use of Malaria Data for Decision Making, Conduct and Facilitate Health Facility Surveys, Conduct and Support Community Surveys, Facilitate Operational Research for Policymaking, Conduct Entomological Surveillance, Monitor Efficacy and Effectiveness of Vector Control Tools and Technologies. 6. *To provide leadership and management for optimal implementation of malaria interventions at all levels, for the achievement of all objectives:* Align Malaria Governance and Legislation to Constitutional Mandates and Core Functions, Strengthen Partnerships and Coordination for Malaria Programme Management, Strengthen Capacity for Malaria Programming at National and County Levels, Strengthen Resource Mobilization Initiatives for Malaria, Enhance Malaria

Commodity Security at All Levels Strengthen the Use of Supply Chain Data for Decision Making. **Global Fund allocation for Malaria:** Allocation Amount-*New Grant amounts US$* 86,966,6,76, RSSH Cross-cutting- *New Grant amounts US$* 6,000,701, Disease Specific Interventions-*New Grant amounts US$* 80,965,975. **Funding split per PR**: PR1 - TNT US$ Allocation amount 66,510,204; PR2 – Amref Health Africa in Kenya US$, Allocation amount 14,455,771. **Global Fund allocation PR1 – Modules:** Vector Control Commodity 23,616,497 Programmatic 12,033,723; Case Management Commodity 8,858,087 Programmatic 5,702,167; SPI – Elimination Programmatic 383,365; SPI – SBCC Programmatic 4,337,276; SPI – Malaria in Pregnancy Programmatic 343,737; RSSH – SMEOR Programmatic 6,921,696Programme Management Programmatic 1,283,535 Programmatic 3,030,121. Total Commodity 32,474,584 Programmatic 1,283,535 Programmatic 32,752,085. **Vector Control:** *Overview of LLIN requirements:* Population at risk (28 counties): Total # of LLINs required for the Campaign 2023/24: 27,538,582; 16,064,173. Current Scope and Scale of Campaign (Lake Endemic, Coast Endemic, Epidemic Prone Highlands, Seasonal Transmission areas) Population: 25,807,091 LLINS required: 15,054,136. New areas based on Micro-stratification (Seasonal Areas) Population: 1,731,491 LLINs required: 1,010,036; **LLIN 2021 – 2024 Budget:** Available LLIN in the Grant (Priority Lake and Coast Endemic) Quantity 9,879,795 Budget 33,651,259; Existing Gap (PAAR) Quantity 6,184,378 Budget 21,707,165. **Schedule and Quantities: 1**. Procurement of LLINs for Mass campaign 2023/24 *When* Q5-Q6 (July 2022-Dec 2022) *Activity Description* Procurement process (Specification, Advertisement, Opening, Awarding, Pre-shipment inspection) *Output* # of LLINs quantified. 2. Procurement of LLINs for Mass campaign 2023/24 *When* Q11 (Jan 2024-March 2024) *Activity Description* Delivery of 8,554,569 *Output* # of LLINs procured and distributed 3. Procurement of LLINs for Mass campaign 2023/24 *When* Q12 (April-June 2024) *Activity Description* Delivery of 1,324,897 *Output* # of LLINs procured and distributed. **Entomological monitoring:** Monitoring of malaria vectors will be done in each county once per year: Objectives: Document vector dynamics to inform decisions on malaria stratification; Choice of vector control intervention and deployment. Implementation: Four National officers and 3 County officers for 10 days across the 47 counties; Lab work thru KEMRI *Amount* $1,000,084.11. Capacity building on Insecticide Resistance Monitoring and efficacy of LLINs and IRS in 47 counties Objectives: to equip counties with necessary skills to monitor insecticide resistance as well as conduct entomological monitoring Implementation: 140 participants in groups of twenty per session; duration is 14-days inclusive of fieldwork. *Amount* $310,417.06. Conduct Insecticide Resistance Monitoring in selected sentinel sites (1 county in each epidemiological zones) once per year. Objectives: To understand susceptibility of mosquitos to insecticides being

used on LLINs and IRS Implementation: Annually, 4 National and 3 county officers; national team cover 5 counties at a time; 10 days; Lab work thru KEMRI *Amount* $105,460.66. Monitor durability of LLINs after mass net campaign. Nets distributed after mass net campaign will be followed after 6, 12, 24 and 36 months in one county per epidemiological zone where LLIN will be distributed. Implementation: LLIN collection from households; lab analysis thru KEMRI *Amount* $179,381.10. Procuring of Entomology equipment/reagents for mosquito collection and analysis *Amount* $ 404,001. TOTAL *Amount* $1,999,343.93. **Responses to CT feedback: 1.** *Issues Raised:* Inclusion of 4.8m PBO LLIN in the 8 lake endemic counties in the context of a 6.1M LLIN gap. *Response:* The programme will proceed based on overall guidance and has planned for procurement of 9.8m standard LLINs. Budget price was already set at 2.35 which suffices for procurement and delivery of the LLINs to sub-counties. 2. *Issues Raised:* Change of strategy for Mass LLIN campaign (inclusion of PR2 in distribution of LLIN in Busia and Vihiga). *Response:* This was occasioned by the % allocation to PR2 which was below the expected. However, the program expects to use ONE POA to minimize the cost associated with the distribution and maintaining the LOW cost previously incurred in the two counties. It was a balance to maintain the allocation to PR2. *No change in operation is expected.* **Case management:** *Key interventions areas:* Strengthen capacity for integrated malaria case management. Strengthen capacity for case management of severe malaria. Provide, in all targeted areas, malaria case management at community level. Assure quality for malaria parasitological diagnosis. Procurement, warehousing and distribution of AL (various weight bands), AS Injection & RDT *Strategy for implementation* Procurement, warehousing, and distribution of all diagnostic and treatment commodities will be conducted as guided by the overall PSM plan. Training of TOTs for Malaria Case Management Training of Health care workers on Malaria Case Management. Support for monitoring of the HW training implementation by the national officers *Target* 6,000 HCWS. *Strategy for implementation* Malaria treatment guidelines will be revised, disseminated, and incorporated in pre-service curricula of medical training institutions and universities. Training of health workers in public and private sector will be undertaken. Refresher training for national and county laboratory health workers on parasitological diagnosis of malaria *Strategy for implementation* Guidelines for malaria parasitological diagnosis and quality assurance (QA) will be revised, and health workers will be trained. Supportive supervision and external quality assurance will be undertaken. Conduct refresher training for CHAs and CHVs on CCMm in the 31% of CHUs already providing CCMm-CHEW *Target* 840 *Strategy for implementation* CCMm will be implemented by CHVs who are guided by the Community Health Strategy and other regulatory policies. **SPI – Malaria Elimination:** *Key Budget Area per Activity;* Establish

structures and capacity at the national and county levels to coordinate and drive the implementation of the elimination agenda. Activities/ Targets 3.1.4 Lobby for malaria elimination - $ 1, 173 Activities/ Targets 3.1.5 Establishing county CoE & taskforce - $ 3, 419 Activities/ Targets 3.1.6 Candidate counties malaria elimination assessment - $ 44, 861 Activities/ Targets 3.1.7 Experiential & Peer learning visits - $ 26, 599 Total Budget ($) 76,052. Develop capacity for malaria elimination Activities/ Targets 3.2.1 Malaria elimination guidance docs development and dissemination - $35, 930 Activities/ Targets 3.2.2 Establishing and training national & county malaria elimination teams - $ 65, 068 Activities/ Targets 3.2.3 National and county level mentorship and supervision of malaria elimination teams - $ 2,065 Activities/ Targets 3.2.4 Onsite trainings and practicum for county HF in charges & HCWs - $ 17, 253 Activities/ Targets 3.2.5 Training of CHVs on specific roles in malaria elimination - $ 20, 782 Total Budget ($) 141,098. Establish active case detection, notification, investigation and response systems for elimination in targeted counties. *Activities/ Targets:* 3.3.2. Strengthening passive & active case notification systems in target counties - $ 159, 524. Strengthen quality assurance for diagnosis, treatment and entomology to enhance surveillance *Activities/ Targets* COST INCLUDED IN THE CASE MANAGEMENT, VECTOR & SME SECTIONS AND BUDGETS Strengthen SBC for malaria elimination; *Activities/ Targets* 3.5.2 – Ensure engagement and commitment of national and county health leadership, governors, partners & other stakeholders to eliminate malaria and prioritize, allocate resources for , and participate in malaria elimination activities - *Total Budget ($)*$8, 633. TOTAL BUDGET = $ 385,307. **SPI -SBC- Key interventions under the module that will help achieve the objectives**: Advocacy at National and County levels. Community mobilization through Zero Malaria Starts with Me campaigns at the County and community level aiming at increasing awareness, ownership and community participation in malaria prevention, testing and treatment. Behavior change communication through interpersonal communication using CHVs. Behavior Change Communication through use of mass media. **Scale up malaria advocacy at national and county level for increased utilization of malaria interventions:** Build capacity for malaria advocacy at all levels *Strategy In implementation* Develop advocacy guideline and train national and County teams on malaria advocacy *Key Budget Area* Consultancy costs, training related perdiem, transport, meeting costs Key *Targets;*5 meetings of 20 advocates per county targeting 14 counties in lake endemic counties *Costs USDS* 170,118.29. Conduct high level advocacy activities for increased utilization of malaria interventions *Strategy In implementation* Conduct WMD commemoration every year Key *Budget Area* WMD IEC development and production, TA to host County, Media briefing breakfast, support to host county, Support to National officers attending attend the event cost *Key Targets Once* every

year *Costs USDS* 291,179.82. Conduct high level advocacy activities for increased utilization of malaria interventions *Strategy in implementation* Hold 5 meetings in 47 lake endemic counties to cascade Zero Malaria Starts with Me. Key Budget Area Meeting, Advocacy related per diems, transport cots *Key Targets* 5 meetings of 141 county officers targeting 47 counties in lake endemic counties *Budget USDs* 649,592.30. **Strengthen community based social and behavior change communication activities for all malaria interventions:** Engage community health strategy unit to develop a package on malaria interventions for CHVs *Strategy in implementation* Develop Job Aide for the CHVs to use when disseminating message at the household level Key *Budget Area* Meeting, perdiem costs, transport/other costs *Key Targets* 1 Job aide for CHVs developed Budget *USDs* 52,153.28. **Malaria interventions:** Develop, disseminate and distribute SBCC package to promote utilization of all malaria interventions. S*trategy in implementation* Develop Malaria messages for dissemination through various channels *Key Budget Area* Consultancy costs *Key Targets* 1 SBC package of malaria messages developed every 2 years *Costs USDs* 102,630, Support mass media *Strategy in implementation* Print of IEC material *Key Budget Area* Printing *Key Targets* 20000 posters per year C*osts USDs* 58,092 Support mass media *Strategy in implementation* Develop a Media Plan *Key Budget Area* Consultancy *Key Targets* 4 media plan per year *Costs USDs* 4,647 Support mass media Air radio spots K*ey Budget Area* Airing of radio spots *Key Targets* 980 radios spots per year 1,138,608. **Strengthen program communication for increased utilization of all malaria interventions:** Support mass media *Strategy in implementation* Air of TVCs *Key Budget Area* TV placement *Key Targets* 400 TVCs per year *Costs USDs* 1,742,767. Support mass media *Strategy in implementation* Conduct Media Monitoring Key *Budget Area* Consultancy *Key Targets.* 4 media plans per year *Costs USDs* 46,474. Support mass media *Strategy in implementation* Management of social media platform *Key Budget Area* Airtime *Costs USDs* 1,743. Support mass media *Strategy in implementation* Management of SMS platforms *Key Budget Area* Management of SMS platforms *Costs USDs* 69,711. **SPI -MIP: Key interventions-** Scale up IPTp to fringe areas bordering endemic regions. Scale up the mentorship model to all target counties. Support CHVs to sensitize community and to identify IPTp-SP missed opportunities during routine household visits for referral to the ANC – PR 2. Conduct annual review meetings with CHVs – PR 2. Scale up IPTp to fringe areas bordering endemic regions *Activity* Hold one day orientation meeting for 25 HCWs. *Targets* Once in three years *Justification* The fringe areas are sub-counties bordering the endemic counties where even though there are cases of malaria, IPTp was not being administered to Pregnant women and were recently added into the list of IPTp-SP implementing counties. Currently no partner is supporting this activity in these areas. *Budget* **10,125.48.** Scale up the mentorship

model to all target counties *Activity* Conduct orientation meetings for 6063 CHVs in 8 counties plus fringe areas Targets 152 orientation meetings (505 CHVs per county) = 1 year *Justification* This will mainly cover the CHVs in sub-counties not being covered by Impact Malaria, PMI *Budget* **333,611.99. Surveillance, Monitoring and Evaluation: Strategies in Implementation of Interventions 1/6:** Malaria Surveillance *Strategy Enhance* malaria surveillance at subnational level. *Target* Capacity building on malaria surveillance 4,868 HWs (4680 HWs and 188 TOTs) *Budget (USD)* 1,392,860.29. *Strategy* Enhance malaria scorecard and use of revised reporting tools T*arget* Train 1,068 HWs on malaria revised reporting tools *Budget (USD)* 567,190.00 (405,000 USD savings from reduced frequency & integration of QoC). *Strategy* Development of malaria specific module in KHIS *Target* Malaria specific module implementation within KHIS *Budget (USD)* In discussion with PMI to fund. **Justification for surveillance training:** Malaria Surveillance is a core intervention of the Global Technical Strategy and is key in the Kenya malaria strategy 2019-2023 that we are currently implementing. Assessment of surveillance and M&E functions in some counties indicate that there were major gaps around malaria surveillance. E.g., documentation in data collection tools, information gaps, indicator definition. 2,480 Health workers trained in 2019 from 15 counties and since it's more than 3 years since the last training. The rest of the 32 counties were not trained since 2015. We are targeting to train 7,520 HWs but due to resources constraints we will train 4,868 in this grant. Surveillance trainings follows a cascade approach with TOTs taking 5 days and health workers trained in 3 days. A critical mass of health workers will be trained, and this will enhance malaria surveillance. Feedback from counties on a past virtual training undertaken by HIS revealed that the training did not comprehensively resolve the agenda of dissemination of HIS tools and counties suggested a repeat training. Targeted cadres may not be allowed to participate in virtual trainings because of the nature of work. Virtual Trainings take too long to implement. Specific areas to justify physical training: Hands on practicum (group discussions, case studies, facilitators assigned to mentor the groups, groups to provide feedback through group presentations, short take away assignments to be discussed in groups) while adhering to COVID-19 containment guidelines. Virtual trainings should not exceed 3 hours per day. Health workers targeted for the training are in rural environments. Enhance participants concentration and knowledge retention. ensuring minimal interruption. Network challenges affecting remote trainings. **Strategies in Implementation of Interventions 2/6:** Routine data quality assessment *Strategy Conduct* data quality assessments annually *Target* Three malaria DQA rounds *Budget (USD)*1,380,584.23. *Strategy* Develop data quality improvement plans annually *Target* 47 data quality improvement plans annually *Budget (USD)* 307,215.02. *Strategy Conduct* data review

meetings annually *Target* Six regional data review meetings annually *Budget (USD)* 222,529.60. **Justification for DQA:** This encompasses orientation of counties, mentorship and implementation of the DQA at subnational level. Orientation, implementation and mentorship is a package to ensure smooth activity implementation. The gaps that will be addressed by DQA. Check on quality of malaria data routinely. Identify gaps in documentation and reporting. Follow up on action plans emanating from previous DQAs. Improving the quality of reported data. Proper planning and accountability purposes. **Strategies in Implementation of Interventions 3/6:** *M*entorship and technical assistance (support supervision) Strategy Implement support supervision at County and sub county levels on a biannual basis Target Six support supervision rounds Budget (USD) 1,160.973.48 Strategy Mentor CHMTs on supportive supervision and follow up on action points developed Target Six National mentorship reports Budget (USD) 172,185.41. **Strategies in Implementation of Interventions 4/6:** Monitoring of malaria case management in public and private health facilities. Conduct survey to monitor quality of care provided to uncomplicated malaria cases managed as outpatients Four QOC reports 713,684.65 (Budget reduced by reducing frequency & integrating QOCs). Conduct survey to monitor quality of care provided to severe malaria cases managed as inpatients Three QOC reports 545,605.25. **Strategies in Implementation of Interventions 5/6:** Monitoring of malaria case management in public and private health facilities. *Strategy;* Conduct survey to monitor quality of care provided to malaria patients in private sector, assesses availability of mRDTs and ACTS *Target* One QOC report *Budget (USD)* 180,344.47. Community based surveys *Strategy* Conduct post mass LLIN survey *Target* 1 PMLLIN survey report *Budget (USD)* 440,713.79 *Strategy* Conduct Malaria indicator survey *Target* 1 KMIS survey report *Budget (USD)* PAAR (2,346,439). Conduct School based survey 1 school-based survey PAAR (862,400). Epidemic Preparedness and Response; *Strategy-* Carry out rapid investigation of detected epidemics/upsurges and preparedness capacity once in 2 quarters in the long and short rain season in 127 sub-counties in the 26 epidemics prone and seasonal counties *Target*127 sub-counties in 26 counties *Budget (USD)* 1,285,258.35 *Strategy* Conduct post epidemic evaluation for all epidemics / upsurges responded to *Target* 127 sub-counties in 26 counties *Budget (USD)* 305,565.20 Total Budget 1,563,823.55. **Strategies in Implementation of Interventions 6/6:** Enhance malaria operational research *Strategy* Convene meeting to update operational research agenda annually *Strategy* Collaborate with stakeholders in malaria prevention and control in operational research activities *Target* 3 annual meetings to be held *Budget (USD)* 50,859. **Partnership Coordination and Planning:** Committee of Experts (CoE) meetings for SBC, Case Mngt, Malaria Elimination, Vector Control, Resource Mobilization. *Target* 4 meetings for every CoE

per year *Strategy in Implementation.* CoE meetings held on a quarterly basis. Half-day meeting of 30 pax held virtually in Q1 and Q2. *Budget (USD)* $ 21,211.00. Malaria Health Sector Working Group *Target* 4 meetings per year. *Strategy in Implementation.* Meetings held on a quarterly basis. Half-day virtual meeting of 40 pax in Q1 and Q2 *Budget (USD)* $ 5,656.00. Hold five regional Biannual meetings *Target* Five regional meeting, 43 person each on average; four days; once a year. *Strategy in Implementation* Planning and review forums with the counties at regional level to focus on the issues in the 5 specific epidemiological zones. *Budget (USD)* $ 329,451.28 Facilitate 47 counties to hold annual review meetings *Target* 47 county annual review meetings; 7 sub-counties per county and 3 persons per sub-county; 35 persons per meeting *Strategy in Implementation* County level meetings, deliberations to be shared with the national level during the bi-annual review meeting *Budget (USD)* $446,478.10 Private Sector Engagement Once every year *Strategy in Implementation* Two day meeting with the private sector (service delivery; manufacturers; philanthropy- resource mobilization) $ 24,398.74. **Programme Capacity for implementation of KMS:** Capacity-development for county malaria coordinators *Target* CMCC curriculum developed *Strategy in Implementation* -Workshop to develop the CMCC curriculum. Printing costs *Budget* $ 34,138.87. Local training for DNMP officers *Target* 20 officers trained per year *Strategy in Implementation* -Technical & management skill building -Prioritize KSG and other relevant professional institutions *Budget* $ 44,302.04. Participation in local meeting (professional Associations) *Target* 12 DNMP staff (2-per mtg); 6 mtgs annually; 4-day Mtgs *Strategy in Implementation* - Knowledge-sharing to articulate malaria policy, share best-practice to a professional audience *Budget* $ 19,679. Participation in Local, regional and international Malaria forums *Target* 3 officers supported, per year *Strategy in Implementation* -Peer-learning and knowledge sharing-Local, regional & international meetings *Budget* $ 69,638.08. **Operation support for the National level Office:** Maintain plant, infrastructure and office equip and consumables *Target* Every year *Strategy in Implementation* Annual cost of toners, paper, replacement /maintenance of office equipment (photocopier, printers, laptops etc.) *Budget* $ 14,813.52. Internet Connectivity *Target* Every Year *Strategy in Implementation* Annual Cost for Internet connectivity; Website maintenance Budget $ 28,479.72. Office Communication *Target* Quarterly *Strategy in Implementation* Quarterly Cost for Air-time based on job groups and courier services Budget $ 74,938.99. Fleet management (including Insurance for GF procured vehicles) *Target* Annually *Strategy in Implementation* Fuel and oil; Service costs; minor repairs and tyre replacements; 8 vehicles Annual vehicle insurance for 3 vehicles Budget $ 167,450.87.

In the afternoon

11.0 VAT exemption for Global Fund Programs. Requirements, Procedures and Processes.

Introduction: Taxes and tariffs have the potential to present trade barriers, thereby potentially hindering access and market competition. Tax burden could also have significant increase in project costs with a net effect of substantially reducing the expected benefits. In healthcare taxes and tariffs are key contributors to high cost of HPTs and overall high cost of health care. Like other official aid funded projects GF projects/programs are exempted from taxes. This is specified in the financial agreement between the Government and GF. KEMSA is the main procuring entity (public sector) followed by AMREF Health Africa (non state actors). NACC, KCM and project/ programs also do procure but mainly services. The common denominator however is that all the procuring entities are required to apply for tax exemption on the respective importations/ procurements. The current general exemption letter on GF projects expires on 30th June, 2021. There are however diverse challenges in the processing of the exemption applications. **Exemption-Legal provisions:** Tax exemption- simply procuring/supplying of goods/services tax free. In Kenya granting of tax exemption is governed/ guided by various statutes: - 1. Constitution of Kenya 2010 (Article 210) which states: (a) No tax or licensing fee may be imposed, waived or varied exempt as provided by legislation. (b) If legislation permits the waiver of any tax then a public record of each waiver shall be maintained together with the reason for the waiver. Each waiver and the reason for it shall be reported to the Auditor-General. 2. Public Finance Management Act, 2012 (section 77). **Exemption -Legal Provisions:** 3. East African Customs Management Act, 2004 (EACMA)- mainly regulates import duty among the East African Community member states. Harmonized commodity description and coding system under the Common External Tariff 2017 version-Tariffs/HS Codes.4. VAT Act 2013, 1st Schedule Part 1 and 2.5. Specific regulations as issued by National Treasury through the Kenya Gazette from time to time.7. Regulations issued through the East African Community Gazette Notice6. Circulars issued by the National Treasury e.g., Treasury Circular No. 9/2018 of 18th October, 2018. **Cost effects of tax/levies on projects:** Taxes/levies contributes significantly to overall project cost. Tax cost element analysis: Goods Import Duty- 25% VAT- 16%, IDF- 3.5%, RDL- 2%, Total on goods- 46.5%, Services, VAT- 16%. **Who Qualifies for Tax Exemption?** Foreign Missions/Embassies. United Nations affiliated Agencies, UNFPA, UNICEF. Official aid funded projects as specified under law (Government to Government funding, Government and International financing Institutions/ Organizations. Cabinet Secretary responsible for The National Treasury is mandated by law to waive taxes on special circumstances/situations. Amendment of Miscellaneous fees and levies Act 2020 removed the powers of the Treasury CS to exempt IDF and RDL on goods imported in

public interest. **Exemption Versus Zero Rating:** Whether goods/services are exempt or zero rated, the tax exemption application procedure /process must be followed. Most of the commodities procured under GF are medicaments which are exempt apart from a few items which are locally manufactured and are zero rated. **Exemption Processing Procedure:** Procedure for Processing tax exemption varies depending on the applicant and mode of application, e.g., Embassies and Diplomats will fill form PRO 1B from the Ministry of foreign Affairs depending on the goods being imported. Embassies/Foreign Aid Agencies, e.g., USAID, DANIDA, with valid engagement framework with Government fill DA1 forms. Funding must be captured in the budget. Conventional application methods to the National Treasury and Kenya Revenue Authority- guided by the guidelines contained in Treasury Circular No.9/2018. Treasury Circular No. 9/2018 was issued to ensure control and improve accountability to avoid abuse of the system. **Signatory to Exemption Applications:** The National treasury Circular No.18/2018 placed the responsibility of signing exemption applications to either the Principal Secretary or the Cabinet Secretary. They are therefore held solely responsible for any exemption audit issues. Furthermore, there is commitment statement that each specific application must contain. *I have confirmed that all the items listed in this request are consistent with the approved master list. I undertake to ensure that the requested goods, equipment and services are used for the intended purpose during the implementation of the project and will ensure full accountability in line with paragraph 23 of these guidelines'* ***Steps Involved in Processing Tax Exemption:*** 1. Formalization of financial protocols/ Commercial Contracts on specific projects/programs.2. Preparation of master list of project goods and services. 3. Application for General Tax Exemption.4. Granting of General Exemption by Treasury.5. Application for Specific Tax Exemption (based on specific imports/procurement).6. Granting of Specific Exemption by Treasury (goods)/KRA-Commissioner Domestic Taxes (services).7. Issuance of clearing code (KRA)- Customs entry (Clearing Agent)- clearing of goods**. Step 1- Master List Preparation:** Upon formalization of signing of the financial protocols and commercial contracts, the procuring entity should prepare a detailed costed master list. **Step 2: Application for General Exemption:** Once the project master list is ready, the procuring entity should apply for general exemption to the Accounting Officer-MOH. Key information to be included in the application include: Funding Agency, Grant No., Grant value, project period (commencement/completion dates), Project geographical area, implementing agency, (Attach all the relevant support documents) **Step 3: Application for Specific Exemption**: Approval of the master list by the National Treasury paves way for application of specific exemption application. At the point of importation/ procuring the procuring entity applies for specific exemption on case-by-case basis based on the approved master list. Copies of the following support documents should be attached: 1. Supply agreement or LSO/LPO.2.

Air Waybill / Bill of Lading(house/master/ocean) 3. Invoice 4. Packing list 5. Certificate of Conformity/ Certificate of Analysis. **Step 3: Application for Specific Exemption:** When apply for specific exemption as guided by the table template. **VAT on Services:** Procedure for VAT exemption on services is as follows: -Upon the approval of the master list by the National Treasury, a separate letter is written to the Commissioner of Domestic Taxes informing that a particular project/program is tax exempt. On the strength of the approval letter the procurement entity applies to MoH for VAT exemption on services. The Ministry recommends to KRA for VAT exemption on services to be procured. (This should be done before services are rendered to enable KRA to authorize the service vendor to provide services minus VAT). Use of proforma Invoice is recommended to shorten the process. When paying commercial invoice can be used. **Challenges:** Some procuring entities especially projects and NACC either fail to submit their master lists or do so belatedly. Illegal deduction of VAT on services and failure to submit the same to KRA. Submission of applications with invalid invoices (more than six months). Inaccurate and inadequate information. Lack of relevant support documents e.g., contracts, packing lists, etc. Failure to stick to the approved master list- figures and items. **Recommendations:** In order to improve and ensure a robust system of processing tax exemption the procuring entities should: Submit master list of goods/services for Treasury approval before implementation commences. Ensure specific applications are made on time and supported with the valid relevant support documents. Provide complete and accurate information in the application letters. Adhere to the approved master list both financial and items. Avoid wrong consignee. Where letters of credit from Banks have been used, the letter should indicate so to avoid rejection of the application.

DAY 4

12.0 Development Partners in Health, Kenya Meeting.

The meeting started off with opening remarks by Dr. Medhin Tsehaiu who welcomed the members on call. Annexed find presentations and recommendation made during the meeting

13.0 Accountability of GF Grants/ Risk Management

Risk management is a structured, consistent, and continuous process across the whole organization for identifying, assessing, deciding on responses to and reporting on opportunities and threats that affect the achievement of its objectives. Risk management is the art of avoiding yesterday's mistakes, while recognizing that nature can always create new ways for things to go wrong. ***Where we are coming from*** Treasury circular no. 3/2009 of 23rd February 2009 provided a broad policy framework for developing and implementing customized risk management strategies in public institutions. The circular required all heads of public institutions to develop and implement a risk management framework as a fundamental step towards establishing a proactive, accountable and innovative public service. The public finance management regulations,2015 requires that public entities ensure the development of; - Risk management strategies, which include fraud prevention mechanism; and System of risk management and internal control that builds robust operations. The Mwongozo code of governance for state corporations requires among others the following on risk management -; The development of a policy on risk management which should take into account sustainability ethics and compliance risks. Review the implementation of the risk management framework in a quarterly basis. Establish a risk management function within the entity. Organizations are under pressure to identify all business risks they face; including social, ethical, environment, financial and operational and explain how they manage them to an acceptable level. Leaders of government ministries and other public sector entities manage complex and inherently risky functions across their organizations, such as, protecting Kenyans from health threats, preparing for and responding to natural disasters, building and managing safe transportation systems, maintaining a safe work place, addressing security threats. ***Why Institutional Risk Management:*** Managing these and other complex challenges, requires effective leadership and management tools and commitment to delivering successful outcomes in highly uncertain environments. ***Why risk Management?***

Businesses face decisions everyday & each decision carries an element of risk. Key aspect of right business decision comes from determining the balance between risk & reward. Orgs that expose themselves to high risks with minimal rewards can gamble themselves out of business. But those that play it too safe can miss out on growth opportunities they need to survive & thrive in a competitive marketplace. While it is not possible to eliminate all uncertainties, it is possible to put in place strategies to better plan for and manage them, institutional risk management is one tool that can assist accounting officers/CEOs in anticipating and managing risks. Why is risk management important: Effective risk management is likely to improve performance against objectives by contributing to: Effective risk management is likely to improve performance against objectives by contributing to better service delivery. Reduction in management time spent firefighting. More focus internally on doing the right things and properly. Better basis for strategy setting. Fewer shocks and unwelcome surprises. More efficient use of resources. Reduced waste and fraud, and better value for money. ***Identifying Risks and opportunities***: Sources of risks. **Strategic risks:** relate to an organization's choice of strategies to achieve its objectives. By their nature, these risks endanger the achievement of the organization's high-level goals that align with and support its mission. Strategic risk assessment identifies the risks associated with specific strategies. OPERATIONAL RISKS: relate to; 1) threats from ineffective or inefficient business process for acquiring financing, transforming, or marketing services, and 2) threats of loss of organization's assets including its reputation. COMPLIANCE RISKS: address the presence or lack of systems to; 1) monitor communication of laws and regulations, internal behavior codes and contact requirements, and; 2) provide information about failure to comply with applicable laws, regulation, contracts, and expected behaviors. ***Sources of Opportunities:*** Supply chain: how value is created and delivered to the market, can be a source of opportunity and innovation. Product and service offering: the search for opportunities and innovation can also concentrate on new products and services, or changes to existing products and services. ***Sources of opportunities:*** Process: process improvement opportunities can lead to faster, better, and less expensive products. Technology: technology provides another source of opportunity by allowing companies to execute strategy quickly, thereby making time a source of competitive advantage. ***Who is responsible for risk management?*** The top management has overall responsibility for ensuring that risks are managed. In practice the top management will delegate the operation of the risk management framework to the management team. There may be a separate function that co-ordinates and project manages risk management activities and brings to bear specialists skills and knowledge. Everyone in the entity plays a role in ensuring a successful risk management but the primary responsibility for identifying risks and managing

them lies with management. ***Snapshot- 10 Universal Business Risks:*** Erroneous records and/or information; Unacceptable accounting principles; Business interruption; Public criticism /or legal action; Unrealized or lost revenue; Loss or destruction of assets; Ineffective program/service; Fraud or conflict of interest; Inappropriate management policy /or decision-making process. ***Benefits:*** Greater likelihood of achieving objectives; Consolidated reporting of risks at top management level; Improved understanding of the key risks and their wider implications; Identification and sharing of cross business risks; Greater management focus on things that matter; Fewer surprises or crises; More focus internally on doing the right things the right way. ***Critical Success factors:*** Critical factors driving risk management success are: Clear ownership of risk within the organization Mechanisms, methodology to review, discuss and communicate risk. A formal process to link risks to organizational objectives. Proactive board and senior management level in both oversight and managing/ monitoring risk. Specific policy covering risk management as it relates to the organization's business and challenges. ***Limitations***: Faulty human judgment. Cost-benefit considerations; Simple errors/mistakes; Collusion. Management overrides of risk management decisions. ***Governance & Risk Culture:*** Definitions of "risk culture" In a typical risk culture, people will do the right things when risk policies and controls are in place. In a good risk culture, people will do the right things even when risk policies and controls are not in place. In a bad risk culture, people will not do the right things regardless of risk policies and controls. ***Conclusion:*** Effective risk management requires a reporting and review structure to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place. Regular audits of policy and standards compliance should be carried out and standards performance reviewed to identify opportunities for improvement. ***Quote:*** Without good risk management practices, government cannot manage its resources effectively. Risk management means more than preparing for the worst: it also means taking advantage of opportunities to improve services or lower costs. *Sheila Fraser, Former Auditor General of Canada.* **Risks highlighted within the GF Grant include** Need to increase Accountability/Managing Risks- GF Grants- Risks/Issues- Lost/ Stolen and commodities. Loss of assets/ Example loss of 2 TB Program that have since been paid. Ineligible Expenditures. Procurement; Do due diligence in processing and signing of payments. Data loss.

14.0 Recommendations/ KCM GOK Constituency Workplan 2021/2022					
S/No	**Key issues Discussed**	**Recommendations/actions**	**Responsible Entity**	**Other Entities**	**Timeline**
1	Implementation arrangement for the new grant	Develop a road map to guide the development of detailed county specific budgets for the new GF grant and flow of funds/ Reporting/ Accountability/ Oversight/ Coordination/ Transparency/ co-financing commitment by each county	COG	TNT KRCS AMREF GF CT KCM MOH	Before 30th Ju 2021/Grant signi
2	Code of Conduct/ Managing Conflict interest during funding request development, selection of PRs, SRs and KCM Decision Making processes	Enforce Global Fund Code of Ethical Conduct and Conflict of interest policy. KCM members to be trained on Code of ethical conduct / attend/join courses on GF Governance processes Develop terms of reference for various stakeholders participating in Funding Request development,	KCM	KCM Secretariat ICCs PRs KCM Constituencies	2021/2022

		selection of PRs and SRs			
3.	Implementation of Global Fund Grants/Delivery of quality services to beneficiaries.	Adhere to GF/GOK Guidelines and regulations while implementation of GF Grants. Improve the turnaround time in submission of GF workplans/Approvals initiation of procurements and distribution of Commodities. Explore flexibilities/privileges and considerations (Procurement/VAT Guidelines) for Goods and services procured under GF grants Succession management/ capacity/ staffing levels to ensure efficient implementation of the new grant. On event of GF Staff transfers proper handing over plans should be instituted	The National Treasury KEMSA MOH NACC NASCOP TB Programme Malaria MOH TAX UNIT MOH/COUNTIES	ICCs KCM Oversight Committee KCM	2021/2022

		Review MOU between TNT/KEMSA with a view to ensure efficiency and effectiveness in procurement, warehousing and distribution of GF Commodities.	TNT/KEMSA		
		KEMSA brief the KCM Government Constituency members on ongoing reforms to strengthen PSM systems in KEMSA.	NASCOP KCM Members		Before June 202 Immediately /Before end February
		MOH to provide guidance / fast-track clearance of ARVs procured by USAID to avert stock outs of ARVS in Kenya.	MOH		Before end February,2021
		NASCOP to brief KCM GOK Constituency members on the ARV Stock status and action taken to ensure adequate stock levels			
		Detailed donor mapping			

		Review the Oversight Indicators and align with the new grant documents to ensure effective oversight during 2021 to 2024 implementation period Government constituency KCM Members to share feedback with the KCM Chair in preparation for the upcoming KCM Retreat to be held between 9th to 12th March,2021			
1.	Improving /strengthening participation of GOK members during KCM Decision making process	All KCM Government members to participate actively in all KCM Activities, in the event that the member is not available the alternate member should ensure that there are no gaps and the GOK Constituency is fully represented. Mailing list/zoom meeting created inclusive of KCM	KCM/GOK Constituency Members Immediately	The National Treasury MOH KEMSA NACC NASCOP DNMP	

		members, alternates, the national treasury, heads of Programmes, NACC, DPPHS, DNHSP, KEMSA Government Constituency to identify a suitable replacement for Mr Kamigwi at the KCM Ethics Committee and retain the slot	Ms. Mebor Abuor/ Ms. Jackson Mwangi		
	Accountability/Managing Risks - GF Grants	**Risks/issues**	**Categorization**	**Mitigation**	**Timelines**
		1. Ineligible/ unsupported expenditures	High	• Frequent audits e.g., integrate quarterly audits	Immediate/ Before June 3 2021
		2. Loss of Health products and commodities /assets/ vehicle	low	• Install Bar codes/tracking system/LMIS • Establish / Operationalize Assets and disposal management committee at organizational level.	Yearly / If need b Immediately
		3. Procurement	High	• Due diligence • Documentation/ review. • Adherence to the GOK/GF	Immediately /C Going

				procurement guidelines. • Approval ceilings /delegation of duties. • Contract management to be enhanced.	
		4. Distribution (*Pilferage, no adherence and damage)*	M	Adherence to the distribution schedule • flexibility picking the channel intermediaries/flow • Strengthen/ digitalize the distribution systems • Task KEMSA to develop and SOPs to manage distribution • Automated and integrated distribution streams	Immediate/ Before June 3 2021

				• Training staff on supply management • Proper planning prior to delivery between the 2 levels of government.	
		5. Data loss	High	• Back up-Server Hosting	2021/2022
		6. Loss of GF funds	High	• Timely submission and approval of workplans and specifications • Reduce Levels of approvals/ceilings • Accelerate the current work plans and supplier payments- • Kemsa to strengthen their inspection and acceptance committee	12th March 2021 TNT Immediatel TNT/Chair HSWG Immediately TNT/ Immediate

				• Issue Circular on RRI	
		7. Stock outs	High	• Proper commodity focusing/ quantification. • Fast tracking finalization and signing of MOUs	Immediately/ need be
		8. Expiries	High	• Strengthen Commodity management systems • Strengthen disposal committee. • Prior release of commodities. • Proper commodity focusing/ quantification. • Any new algorithm and treatment regiments to take into consideration transition to clear exhaust	MOH- Dr.Valeria Immediately

				the existing stock.	
		9. Duplication	Medium	• Partner mapping • Joint planning /partner platform • Task DPHK to provide list of all partners/ partner management	KCM Secretariat Immediately/ 30th June 2021
		10. Pending Bills	High	• Timely release of Exchequer. • Timely processing and payment of Invoices.	TNT/ Immediate

14.1 Conclusion

Dr. Joe Lenai-session Chair thanked all members for attending the Government Constituency meeting and emphasized the need to implement the recommendation made during the meeting he pointed out that there was need for the GOK Constituency to hold frequent similar forums in future.

14.2 Annexes (Program and Participants list)

KENYA COORDINATING MECHANISM FOR GLOBAL FUND GOVERNMENT CONSTITUENCY WORKSHOP HELD ON 15TH TO 18TH FEBRUARY,2021 IN NAIVASHA

PROGRAM

Time	Session	Facilitator	Session Chair
Day One **15th February ,2021** 9:00 – 9.30am	Opening Remarks	Ag. Director General for Health, Kenya KCM Chair/PS MOH	Dr Iscah Oluoch-COG
9.30-10.00am	Meeting Objectives /CCM Eligibility requirements /Updates from the KCM	Mr. Samuel Muia	
10.30am to 1.30 pm	The National Treasury TB Grant Review discussions with the Global Fund Team -Virtual Meeting Link https://bluejeans.com/105412417?src=calendarLink • PR/Program leads to present overview of grant for discussion including: • 1. Budget Split by module/interventions • 2. PF indicators/targets • 3. HPMT and key commodities • 4. Strategic initiatives • 5. Responses to TRP issues • Implementation arrangements	Dr Kimuu Dr Elizabeth Onyango	
1.00 to 2.00pm	**Lunch**		**Session Chair**
2.00 to 3.00pm	Overview of KCM Strategic Plan 2021 to 2024	Ms. Margaret Mundia	Dr Ruth Masha-CEO NACC

3.00 to 4.00pm	Strengthening the participation of Government Constituency in GF /KCM Decision making process	Dr Bernhard Ogutu	
Day Two 16th February,2021			
8.30 to 9.20 am	• GF Grant Outlook July 2021 to June 2024. • TNT programmatic and Financial Performance/success /Lessons learned /Challenges/strategies to ensure improved grant performance -GF Grant 2018 to June 2021.	• Dr Peter Kimuu • Mr. Anthony Miru • Heads of Programmes	
9.20 to 10.00am	• Experiences in coordinating the GF FR 3 Application2021-2024	• Dr Celestine Mugambi-Chair FR Secretariat	
10.00am to 10.30am	Plenary		
10.30 to 11.00am	Break		
11.00am to Noon	Strategies to Strength procurement, supply and management of GF Commodities	• KEMSA. • Dr Ogato	Mr. Stephen Muiruri -The National Treasury
Noon to 1.00pm	VAT Exemption for goods and services procured under the Global Fund Grants	Mr. Joel Gitonga	
1.00pm to 2.00pm Lunch			
2.00pm to 4.30pm	Overview of HIV Grant Documents for 2021 to 2024 implementation period • PR/Program leads to present overview of grant for discussion including: • 1. Budget Split by module/interventions • 2. PF indicators/targets	Dr Peter Kimuu Dr Catherine Ngugi	Ms. Meboh Abour -COG

	• 3. HPMT and key commodities. • Responses to TRP issues • Implementation arrangement		
Day three 17th February,2021			
8.30am to 10.30am	The National Treasury Malaria Grant Review discussions with the Global Fund Team - Virtual Meeting: Link https://bluejeans.com/514052234?src=calendarLink • PR/Program leads to present overview of grant for discussion including: • 1. Budget Split by module/interventions • 2. PF indicators/targets • 3. HPMT and key commodities • 4. Responses to TRP issues • Implementation arrangements	Mr. Anthony Miru Dr Githuka	Dr Joe Lenai-COG
10.30am to 11.00am Break			
1.00 pm-2.00pm lunch			
2.00pm to 3pm	Coordination of RSSH Activities	Dr Julius Ogato	Mr. Jackson Mwangi-MOD
3.00pm -4.00pm	Plenary		
Day Four 18th February,2021			
8.00am to 10.30am	Virtual meeting with Development Partners in Health, Kenya	• KCM Members GOK Constituency /Development Partners • Samuel Muia • Dr Peter Kimuu • Heads of Programmes	Dr Warfa Osman-MOH

10.30am to 11.00am	Break		
11.00 am to 12.30 pm	Accountability of GF Grants/ Risk Management	• Finance/Accounting Unit	Ms. Khatra Ali-COG
12.30 to 1.00pm	• Plenary		
1pm to 2.00pm Lunch			
2.00pm to 4.00pm	KCM Government Constituency Report 2020/2021/ Workplan 2021 to 2022/	Ms. Josephine Mwaura	Dr Pacifica Onyancha -MOH
4.00pm to 4.30pm	Closing Remarks	KCM Chair	