

AMMENDED AND RESTATED ANNEX A TO THE PROGRAM GRANT AGREEMENT FOR SINGLE STREAM OF FUNDING

Program Implementation Description

Country:	Republic of Guinea
Program Title:	Program to Strengthen and Decentralize the National Response Against STIs/HIV for Universal Access Within 5 Years in the Republic of Guinea
Grant Number:	GIN-H-CNLS
Disease:	HIV/AIDS
Principal Recipient:	Executive Secretariat of the National AIDS Council – SE/CNLS

Capitalized terms and acronyms used but not defined in this Annex A or the attachments to this Annex A have the meaning given to them in the Standard Terms and Conditions of this Agreement.

In the event of any conflict between the terms of this Annex A and any provision of the Standard Terms and Conditions of this Agreement, the terms of this Annex A shall prevail.

A. PROGRAM DESCRIPTION

1. Background and Summary:

Guinea is a country with a generalized HIV/ AIDS epidemic as evidenced by a sero-prevalence rate of 1.7% in the general population (DHS-2012). In 2012, the HIV prevalence was 16.7% among sex workers, 56.6% among men who have sex with men (MSM), 5.9% among miners, 5.4% among truckers, 9.4% among prisoners and 5.3% among fishermen (ESCOMB-2012). In 2012, the HIV prevalence among patients infected with TB was 25% (TB Report 2013). In 2008, the sero-prevalence among pregnant women was 2.5% and there were an estimated 59,000 orphans and children made vulnerable by AIDS (OVC).

Guinea has received two previous Global Fund grants for HIV/AIDS in support of its efforts to reduce the HIV burden in the country. The Round 2 grant, which ended in September 2009 and the Round 6 grant, which ended in December 2012, have allowed the country to realize important gains in terms of HIV prevention services, comprehensive treatment for persons living with HIV/AIDS and support to OVC. However, there is still work to be done particularly to improve the quality of service and to increase coverage for Voluntary Counseling and Testing (VCT), Prevention of Mother-to-Child Transmission (PMTCT) activities (70% coverage in 2011) and antiretroviral (ARV) treatment (56.9% coverage in 2011).

The purpose of the Round 10 grant (the "Program") is to scale up and decentralize the national response to HIV/AIDS, to cover 70% of total ARV needs and 85% for PMTCT needs, corresponding to the 2008-2012 National Strategic Framework action plan. The Program is implemented by the Executive Secretariat of the National AIDS Council (SE/CNLS) as the Principal Recipient and aims at strengthening actions that started under the Round 6 HIV grant to support

Annex A for Round 10 Grant Agreement

vulnerable populations (youth aged 10-24, women aged 15-49, pregnant women) and high risk groups (sex workers and their customers, men who have sex with men (MSM), and prison populations).

Through this Grant Agreement, the Principal Recipient will work on increasing geographic coverage and quality of the Round 6 activities. The Principal Recipient will ensure the treatment and support of PLWHA in collaboration with other stakeholders, improve the quality and geographic coverage of VCT and PMTCT services, improve treatment of TB/HIV co-infection, and ensure blood transfusion safety.

This grant also includes a Health System Strengthening (HSS) component. The weak health system in Guinea represents a critical concern for the provision of quality HIV, TB and malaria treatment services. The main challenges identified with respect to the health system are: (i) the poor population coverage in the provision of essential care; (ii) the poor performance of the supply systems of medicines and reagents; (iii) the poor distribution and low level of productivity of human resources; and (iv) the poor monitoring and coordination of the health system. The aim of the HSS component of the grant aims to improve the integrated and quality health services coverage through the development of health partnerships in 12 targeted health districts in the country.

2. **Goals:**

- Contribute to accelerating universal access to epidemic prevention, treatment, care and support services for PLWHA to attain the Millennium Development Goal 6; and
- Improve integrated health services coverage and quality through the developing of health partnerships in the 12 health districts.

3. **Target Group/Beneficiaries:**

- General population;
- People living with HIV/AIDS;
- Vulnerable populations: pregnant women, OVC;
- High-risk populations: sex workers and their customers, MSM and prison populations;
- Mining workers and their family members;
- Community workers; and
- Health workers.

4. **Strategies:**

- Treat Round 6 HIV patients and gradually include new patients;
- Ensure psychological, nutritional and social support for eligible PLWHA;
- Increase geographic coverage for quality VCT and PMTCT services;
- Ensure blood transfusion safety;
- Improve treatment of TB/HIV co-infection;
- Strengthen the Ministry of Health's leadership;
- Improve the capacities of human resources in health;
- Strengthen the capacities of the public, private, faith-based and voluntary organizations to give a minimum package of essential care and services;
- Improve the supply/distribution system of quality health products; and
- Strengthen the monitoring and evaluation of the health system.

5. Planned Activities:

- Provide antiretroviral treatment and biological monitoring to Round 6 patients and new patients;
- Provide ARV prophylaxis to prevent mother to child transmission;
- Provide treatment and prophylaxis for opportunistic infections;
- Provide voluntary counseling and testing services;
- Implement systematic HIV services in tuberculosis sites;
- Conduct sentinel surveillance and carry out studies;
- Train 450 health workers in the basic health facilities of rural areas of 12 districts;
- Improve the quality and supply of essential health services in the health facilities of 12 districts;
- Improve storage and drug transport capacity; and
- Improve the completeness and promptness of at least 80% of quality statistical reports of the targeted area health facilities.

B. SPECIAL CONDITIONS

1. The procurement of Health Products, excluding laboratory equipment, with the use of Grant funds shall be done through a suitable Procurement Agent (approved by the Global Fund) or through Voluntary Pooled Procurement (VPP) unless the Global Fund agrees in writing, upon relevant assessment by the Local Fund Agent, that such procurement can be properly managed by the Principal Recipient. If the Principal Recipient participates in VPP, the Principal Recipient agrees that related payments will be made directly by the Global Fund to the relevant VPP procurement services agent, as stipulated in the disbursement request.
2. The use by the Principal Recipient of Grant funds to finance any renovation/rehabilitation activities, including any renovation/rehabilitation of the Principal Recipient's office premises, is subject to the delivery by the Principal Recipient to the Global Fund, in form and substance satisfactory to the Global Fund, of (i) evidence that an independent needs assessment has been conducted for each site where renovation/rehabilitation is proposed and (ii) a detailed renovation/rehabilitation budget for each of these sites.

C. TERMS AND CONDITIONS RELATING TO FISCAL AGENT

1. The Global Fund has retained the services of a Fiscal Agent to perform certain functions in order to safeguard Grant funds. The Principal Recipient shall submit to the Global Fund evidence, in form and substance satisfactory to the Global Fund, that the Principal Recipient has delegated to the Fiscal Agent co-signing authority with respect to the bank accounts of the Principal Recipient to which funds under the Program Grant Agreement are (i) disbursed by the Global Fund and/or (ii) maintained by the Principal Recipient for program implementation. Such delegation shall be effectuated in a manner effective and binding under applicable laws and in compliance with such bank's internal procedures. Throughout the Program Term, the Fiscal Agent will countersign each and every payment made by the Principal Recipient and ensure that Grant funds are spent in accordance with the approved budget and work-plan of the Program. The Principal Recipient shall fully cooperate and work with the Fiscal Agent and shall provide all the requested documents and

Annex A for Round 10 Grant Agreement

information to the Fiscal Agent and/or the Global Fund, in order to ensure, without limitation, that:

- a. all transactions are legitimate, fully justified with invoices and all the necessary supporting documents (which shall be in original form) and that all expenditures are in compliance with the approved budget and work plan of the Program;
- b. accurate accounting and financial reporting systems are operated by the Principal Recipient for the Program; and
- c. progress updates and disbursement requests and Enhanced Financial Reporting to be submitted are accurately and timely submitted to the Global Fund.

The Principal Recipient shall work with the Fiscal Agent to ensure that the assets procured with Grant funds are properly inventoried and maintained and that proper monitoring and supervision exists at the Sub-recipient levels.

Prior written approval of the Global Fund shall be obtained in the event the Principal Recipient wishes to transfer Grant funds to any bank account over which the Fiscal Agent does not have co-signing authority. Along with the request for approval of such transfer, the Principal Recipient shall submit to the Global Fund (i) evidence that the Principal Recipient has granted to the Fiscal Agent co-signing authority with respect to such new bank account in a manner effective and binding under applicable laws and in compliance with the internal procedures of the bank at which such new bank account is held and (ii) forms from the bank at which such new bank account is held for the submission of specimen signatures of the representatives of the Fiscal Agent to the relevant bank. The Principal Recipient acknowledges and agrees to deliver to the bank at which such new bank account is held evidence of such grant of co-signing authority, together with the signed forms of specimen signatures, prior to the transfer of Grant funds to such new bank account.

2. The Principal Recipient acknowledges and agrees that at all times during the term of this Agreement, Grant funds shall be kept in the bank account of the Principal Recipient to which funds under the Grant Agreement are disbursed by the Global Fund, with respect to which the procedure set forth in paragraph 1 shall apply and shall not be commingled with funds from sources other than the Global Fund.
3. The Principal Recipient and the Global Fund agree that during the term of this Agreement, the Principal Recipient shall not advance Grant funds for the payment of variable costs to any Sub-recipient. The Principal Recipient shall provide funding to Sub-recipients for the payment of variable costs by making direct payments to vendors for goods and services procured to support the activities of Sub-recipients. Notwithstanding anything to the contrary in this paragraph, the Principal Recipient, upon approval from the Fiscal Agent, may disburse funds to Sub-recipients for the funding of certain variable costs requiring advance payment and recorded as an advance in the accounting records of the Principal Recipient, provided that (i) following the disbursement, the Fiscal Agent is able to review and verify the supporting documentation justifying the expenditure and (ii) the advance is correctly liquidated with justified amounts transferred to expense. With respect to such variable costs, no subsequent advances may be made to any Sub-recipient without the full liquidation of the previous advance.
4. The Principal Recipient acknowledges and agrees that, regardless of pre-verification or endorsement by the Fiscal Agent, the Global Fund reserves the right to classify any



expenditure of Grant funds made in breach of this Agreement as ineligible, in which case Article 27 of the Standard Terms and Conditions of this Agreement shall apply.

5. Notwithstanding the above provisions, the Standard Terms and Conditions of this Agreement shall be in full force and effect, including the Principal Recipient's obligations with respect to the use of Grant funds.

D. FORMS APPLICABLE TO THIS AGREEMENT

For purposes of Article 15(b) of the Standard Terms and Conditions of this Agreement entitled "Periodic Reports," the Principal Recipient shall use the "On-going Progress Update and Disbursement Request", available from the Global Fund upon request.

E. ANTICIPATED DISBURSEMENT SCHEDULE

For purposes of Article 10(a) of the Standard Terms and Conditions of this Agreement, the Global Fund shall make disbursement decisions on an annual basis starting from Year 3. If the Global Fund elects to transfer the disbursement decision amount to the Principal Recipient through multiple tranches over time, the decision of whether to transfer any funds in a given tranche, and the timing and amount of such tranche, shall be determined by the Global Fund in its sole discretion.

F. THE GLOBAL FUND STAGGERED FUNDING COMMITMENT POLICY

At the time of each annual disbursement and commitment decision by the Global Fund, the Global Fund shall set aside ("commit") funds up to the amount of the annual commitment decision amount, subject to the terms and conditions of this Agreement. Grant funds shall be committed in a manner consistent with the Global Fund's discretion and authority as described in Article 10 of the Standard Terms and Conditions of this Agreement, taking into account, among other things, the availability of Global Fund funding and the reasonable cash flow needs of the Principal Recipient. If a commitment of Grant funds is made, it will be communicated to the Principal Recipient at the time of the annual disbursement and commitment decision through written notice from the Global Fund. The Principal Recipient further acknowledges and understands that the Global Fund may decommit Grant funds, in its sole discretion, after the end of the Grant Term.

