

General Grant Information

Applicant:	Country Coordinating Mechanism of the Republic of Kyrgyzstan
Country:	Republic of Kyrgyzstan
Round:	2
Component:	Tuberculosis
Grant Title:	Development of preventive programmes on HIV/AIDS, Tuberculosis and Malaria aimed at reduction of social and economic consequences of their spread
Grant Number:	KGZ-202-G02-T-00
Principal Recipient:	The National Center of Phthiology of the Government of the Republic of Kyrgyzstan
Other Grants (From the same Proposal)	N/A
Proposal Lifetime: (Years)	5
Lifetime Budget: (USD)	2,771,082
2-Year Budget: (USD)	1,212,835
Disbursed to Date: (USD)	1,212,835
Signature Date:	04-Aug-2003
Program Start Date:	01-Mar-2004

A. SECRETARIAT PHASE 2 RECOMMENDATION

Phase 2 Recommendation Category: **Go**

Incremental Phase 2 Amount Recommended for Board Approval (USD): * 1,558,235
 Euro Equivalency : _____

Rationale for Recommendations:

The Secretariat classifies this renewal Request as a “Go”.

Program performance:
 Overall performance has been strong, with 10 of the 11 programmatic targets met or exceeded. Good results include:

- 81.1% of infected TB patients cured (smear -) (110% of target);
- 9% of smear positive TB cases detected at the primary health care level out of all suspected TB cases (110% of target); and
- 30 Radio and 2 TV awareness programs have been broadcast (533% of target).

Training activities have also performed well with good absolute numbers trained in the Prevention and Supportive Environment components. However, there has been underperformance in a key indicator: the number of patients with MDR-TB receiving adequate treatment . The Program only reached 60% of the target (30 people). Furthermore, the disease detection rate is only 50%, which although very close to the target, is significantly below accepted international standards of 70%. Therefore, targets should be revised upwards for Phase 2 and brought in line with the international benchmarks.

Overall, the reported results are good, but most results are reported in percentages only rather than in both numbers and percentages, thereby making it difficult to assess the magnitude of the effect that this grant is having in Kyrgyzstan. Therefore, in Phase 2 numerical information (numerators and denominators) for some important indicators is required. The Principal Recipient should also report on successful treatment instead of cure rate (a measure of drug efficacy but not necessarily adherence to DOTS).

Program management and governance:
 The Principal Recipient (PR), the National Centre of Phthisiology, has managed the grant well to date, particularly in consideration of the revolutionary events that took place from April to July 2005 and the subsequent change of government. Programmatic targets have been largely achieved and the overall monitoring and evaluation (M&E) system is functioning well.

The PR has made prudent use of grant funds in line with the Phase 1 budget and disbursements to sub-recipients (SRs) have been timely and effective.

CCM governance is strong, as is the cooperation with international development partners. The country receives significant funding from the German Bank for Reconstruction and Development (Kreditanstalt fuer Wiederaufbau – KfW) and the Global Drug Facility for DOTS treatment and coordinates this additional support well with the Global Fund grant.

As a result of the recent changes in government structures, the PR should take the appropriate measures to ensure the exemption and reimbursement of VAT and custom duties. This recommendation has been incorporated as a time-bound action to be fulfilled prior to the signature of the Phase 2 Grant Agreement.

The Secretariat classifies this Request as a “Go”. In Phase 2 the PR should focus efforts on fulfilling the suggested remedial actions as stated on page 3 of this Grant Score Card.

* The maximum funding amount available for Phase 2 of each proposal shall be the sum of the incremental amount approved by the Board and the amount of any funds approved for Phase 1 that have not been disbursed by the Global Fund at the end of the Phase 1 period.

Rationale for Phase 2 Recommended Amount:

To date, the Global Fund has disbursed US\$1,212,835 (100% of funds available for Phase 1) to the PR. Of these funds, the PR has spent US \$908,208 and disbursed US\$33,433 to SRs. The overall expenditure rate at 21 months was approximately 77% in 87.5% of the Phase 1 time elapsed (after allowing for no cost extension).

The PR cash balance of US\$271,194 at 30 November 2005 appears high. However, this may be explained by the last disbursement of US \$110,157 received on 19 October 2005. These remaining funds will be utilized through the planned Program activities to the end of Phase 1.

In light of strong programmatic performance and prudent usage of grant funds to date, the Secretariat concludes that an amount of US\$1,558,235 (100% of maximum Phase 2 amount) is appropriate for continued funding. As there are no undisbursed Phase 1 funds available to partially fund this amount, the Secretariat recommends to the Board to commit the full US\$1,558,235 for this Program.

Suggested Remedial Actions

Issues	Description of Suggested Remedial Actions
<p>1. The Tax and Customs authorities, which were previously under the Ministry of Finance, have been recently moved under the Government's direct control, which may create some problems with Grant's tax exemption.</p> <p>2. Several targets set below international standards.</p> <p>3. CCM compliance as per 9th Board decision</p>	<p>1. Prior to Phase 2 Grant signing the PR should obtain from the Government of the Kyrgyz Republic a new letter regarding the VAT and custom duties exemption and confirm the PR's inclusion in the Official List of Donor Organizations/Projects for reimbursement of VAT.</p> <p>2. Attachment 3 should include increased people-reached targets and brought in-line with international standards (e.g. 70% for case detection rate). Further, targets need to be set in advance for all years of Phase 2.</p> <p>3. Prior to Phase 2 grant signature, the CCM shall provide evidence that it has fully met all CCM requirements as set forth in the Decision taken by the Global Fund Board at the Ninth Board Meeting in November 2004.</p>

B. PHASE 2 BUDGET AND IMPLEMENTATION ARRANGEMENTS

1. Estimated funds available for Phase 2

	Total	Year 3	Year 4	Year 5
Original Phase 2 Adjusted Proposal Amount (*)	1,558,247	527,345	541,062	489,840
Expected undisbursed amount at the end of Phase 1	0			
Estimated Maximum Phase 2 Amount	1,558,247			

(*) Adjustments to the original Board approved proposal amount may be a consequence of TRP review and grant negotiation before Phase 1.

2. Phase 2 Budget and Recommended Amount

	Year 3	Year 4	Year 5	Total Phase 2 Amount	% of maximum Phase 2 Amount	Incremental Phase 2 Amount	% of original Phase 2 Proposal Amount
CCM Request (**)	527,345	541,062	489,840	1,558,247	100%	1,558,247	100%
Global Fund Recommendation (**)	527,342	541,058	489,835	1,558,235	100%	1,558,235	100%

(**) Including any partial or total roll-over into Phase 2 of undisbursed Phase 1 amounts.

1. Does the Phase 2 budget include a material amount of un-disbursed Phase 1 funds?

Yes No

If yes, please explain how the CCM anticipates that these extra funds will be absorbed in Phase 2 (e.g. increased scope of activities, increased targets, activities initially planned during Phase 1 to be undertaken in Phase 2, unanticipated increases in program costs, etc).

The Global Fund disbursed 100% of the Phase 1 budget.

2. Is the budget within the permitted maximum? Yes No

The recommended Phase 2 budget corresponds to Phase 2 budget of the original proposal as per TRP clarifications (USD 2,771,067) and represents a reduction of USD 12 from the committed budget for the Phase 2 which did not take into account corrections occurred during TRP process.

3. Is the budget in line with:

3.1 Usage of funds in Phase 1?

Yes No

No comment.

3.2 Anticipated program realities for Phase 2?

Yes No

No additional comments.

4. Do the budget and workplan show sufficient detail (including key budget assumptions)?

Yes No

The Phase 2 budget and work plan appear to be reasonable and feasible given the resources available, the time frame and the PR's past performance. However, the Cluster considers that the budget and work plan were not detailed enough. During the review process, the PR/CCM considerably improved budget and work plan and provided acceptable documents.

5. Are there any other comments on the budget?

Yes No

The allocation of funds in the proposed Phase 2 budget is different from the initial one approved by the TRP, since in parallel with the Global Fund's Grant the PR has obtained a grant of KfW, which covers the procurement of first-line antituberculosis drugs. As a result the PR had to reallocate the initially budgeted funds for procurement of the first-line drugs to other activities. The reallocation of funds was verified by the LFA, approved by the CCM on 9 February 2005 and endorsed by the Global Fund. The saving support the renovation of the MDR TB ward and an enlarged IEC campaign.

6. Please comment on any changes or proposed changes in implementation arrangements?

No changes are proposed in the current implementation arrangements.

C. PROGRAM DESCRIPTION AND GOALS

1. Program Description Summary

The Program will seek to reduce the TB morbidity and mortality in the Kyrgyz Republic, through a focus on promoting early consultation of the population in medical institutions, making microscopic examination more accessible for people suspected of TB, improving adherence of the TB patients themselves to treatment and controlled case management especially at the outpatient stage, and treating drug-resistant TB patients.

The Program goal is to achieve effective implementation of the National Programme "Tuberculosis" in the Kyrgyz Republic based on DOTS strategy recommended by WHO, which will facilitate reduction of TB morbidity and mortality.

The main strategies to achieve the Program goals include:

- Improving health education activities among the population;
- Strengthening detection and diagnosing of TB cases;
- Ensuring out-patient clinical management of the patients (continuation phase); and
- Treating patients who developed TB drug-resistant forms of disease due to various causes.

The main broad activities that will be implemented to achieve the Program goals and strategies will include:

- Improving awareness of the patient of the consequences of incomplete treatment;
- Training of physicians, TB specialists, and medical/laboratory staff on TB diagnosing and management;
- Involving NGOs and volunteers in the process of treatment; and
- Recording and reporting of the cases including personal accounts of TB cases in electronic.

Program Goals and Impact Indicators								
Goal 1	To reduce TB morbidity and mortality by 2009.	Baseline		Target				
		Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5
Impact Indicator	To reduce TB morbidity rate in the Kyrgyz population (per 100 000)	127.3	2001	120.1				125
Impact Indicator	To reduce TB mortality rate in the population of Kyrgyz Republic (per 100 000)	13.5	2001	11.5				10
Impact Indicator	Cure rate	71.3%	2001	74.2%				85%

D. SUMMARY OF Y1-2 GRANT PERFORMANCE

1. Overall Grant Rating

This section contains the assessment of performance by service delivery area (SDA).

B1. Adequate

Each grant is structured into goals, objectives, and SDAs.

- Goals are broad and overarching and will typically reflect national disease program goals. The results achieved will usually be the result of collective action undertaken by a range of actors. Examples include "Reduced HIV-related mortality," "Reduced burden of tuberculosis," "Reduced transmission of malaria."
- Objectives describe the intention of the programs for which funding is sought and provide a framework under which services are delivered. Examples linked to the goals listed above include "To improve survival rates in people with advanced HIV infection in four provinces," "To reduce transmission of tuberculosis among prisoners in the ten largest prisons" or "To reduce malaria-related morbidity among pregnant women in seven rural districts."
- SDAs describe the key services to be delivered to achieve objectives. The service delivery area is a defined service that is provided. Examples for the objectives listed above include "Antiretroviral treatment and monitoring for HIV/AIDS", "Timely detection and quality treatment of cases for Tuberculosis," or "Insecticide-treated nets for Malaria". A standard list of service delivery areas agreed and used by international partners is contained in the Monitoring & Evaluation Toolkit.

The table below lists the objectives for this grant (numbered for easy reference and for linking with the SDAs). The "Goal Number" column indicates which goal each objective is linked to (goals are numbered on page 5).

Objective Number	Objective Description	Goal Number
1	Improving detection of sputum smear positive patients among infected persons	1
2	Ensuring out-patient clinical management of the patients - continuation phase	1
3	Treating patients who developed drug-resistant TB forms of disease due to various causes	1

2. Service Delivery Area (SDA) Ratings

As stated, Service Delivery Areas (SDAs) are linked to an Objective (the 1st column on the left contains the objective number). Some SDAs may appear under different Objectives.

SDAs are typically measured through coverage indicators, categorized into three levels: *Level 3, people reached*; *Level 2, service points supported*; and *Level 1, people trained* (the 3rd, 4th and 5th columns display the number of indicators per level that have been assessed for the SDA indicated).

Based on results achieved against targets for each indicator, SDAs are given a rating: *A= Expected or exceeding expectations*; *B1= Adequate*; *B2= Inadequate but potential demonstrated*; *C=Unacceptable* (the 6th column contains the SDA rating and the 7th contains the rating's justification).

Objective	Service Delivery Area	Level 3	Level 2	Level 1	Rating	Evaluation of Performance (at the SDA Level)
1	Prevention: Identification of Infectious Cases	1	1	2	A	Performance in line with expectations. Overachievement of targets suggests that targets were set too low.
1	Prevention: Behavioral Change Communication - Mass Media	0	2	0	B1	Massive overachievement of targets with no level 3 results.
2	Treatment: Timely detection and quality treatment of cases	3	0	0	A	Results reported only in percents. Overachievement of most targets.
2	Supportive Environment: Coordination and partnership development (national, community, public-private)	0	0	1	A	Overachievement of targets suggests that targets were set too low.
3	Treatment: Control of drug resistance	1	0	0	B1	60% achievement of this important SDA.

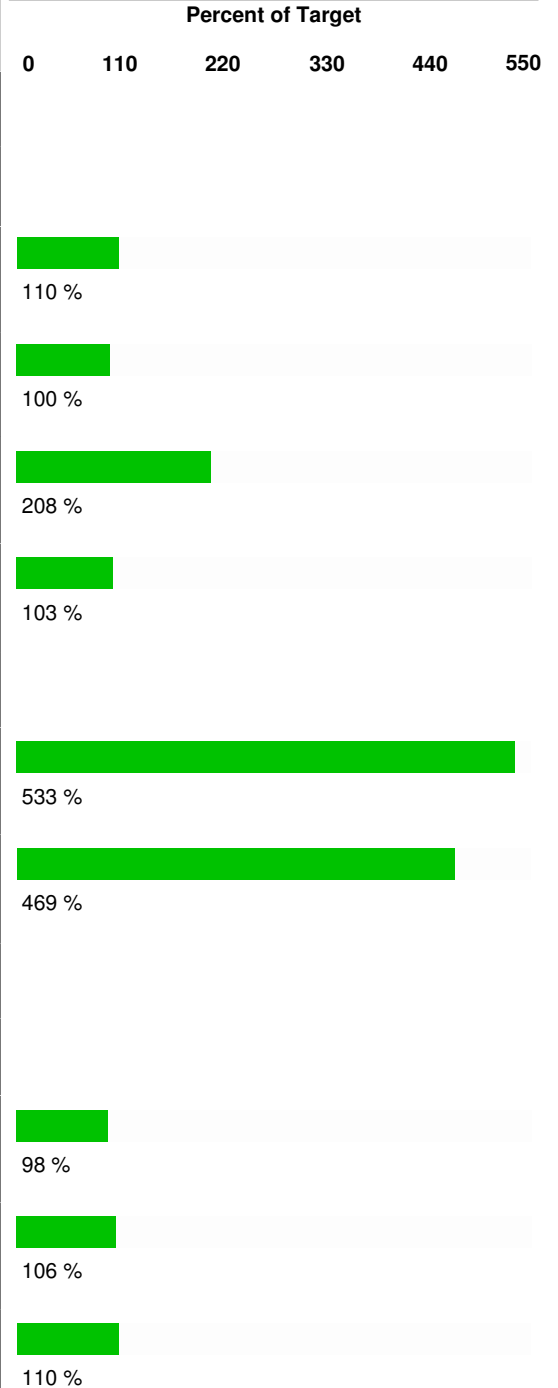
Level 1: No. of people trained indicators.
 Level 2: No. of service points supported indicators.
 Level 3: No. of people reached indicators.

3. Indicator level Performance



The numbers to the left of the indicators refer to their coverage level: Level 3, people reached; Level 2, service points supported; and Level 1, people trained.

These early grants typically reported on a quarterly basis, so each period usually represents one quarter. Therefore, results reported in Period 6 are typically from month 18 of the grant term and are the most recent results available.

Program Objectives, Service Delivery Areas (SDAs), Indicators, Targets and Results					
		Period	Target	Actual	Percent of Target
Objective 1		Improving detection of sputum smear positive patients among infected persons			
Service Delivery Area 1		Prevention: Identification of Infectious Cases			
3	New smear positive TB cases detected at the primary healthcare level out of all suspected TB cases	Period 6	8.2%	9%	110
2	Number of laboratories with sufficient equipment and supplies	Period 6	-	-	100
1	Number of service deliverers trained - retraining courses for laboratory technicians	Period 6	40	83	208
1	Number of medical staff trained in TB prevention and diagnosis	Period 6	840	869	103
Service Delivery Area 2		Prevention: Behavioral Change Communication - Mass Media			
2	Number of TV/Radio programs broadcasted, number of specialized newspapers published	Period 6	3 radio, 3 TV	30 radio, 2 TV	533
2	Number of information materials edited and distributed among infected people on consequences of incomplete treatment	Period 6	9000	41560	469
Objective 2		Ensuring out-patient clinical management of the patients - continuation phase			
Service Delivery Area 3		Treatment: Timely detection and quality treatment of cases			
3	Disease detection rate (smear+) confirmed by bacterioscopy method out of all confirmed TB cases	Period 6	51%	50.10%	98
3	Percentage of new smear + TB cases which smear convert at the end of 3 months of treatment	Period 6	89.2%	94.2%	106
3	Percentage of infected TB patients cured (smear -)	Period 6	73.6%	81.1%	110



Program Objectives, Service Delivery Areas (SDAs), Indicators, Targets and Results

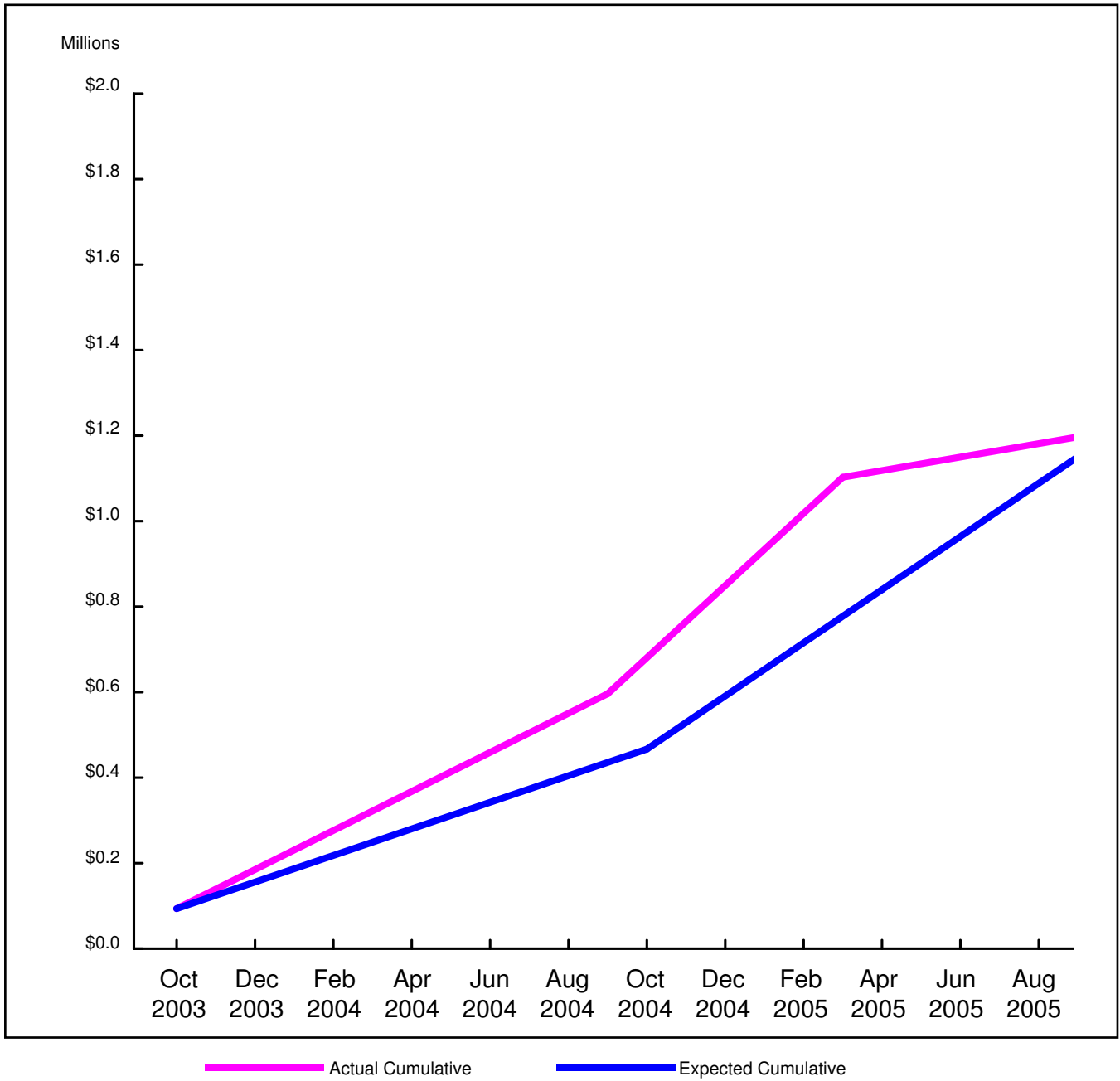
		Period	Target	Actual	Percent of Target	Percent of Target						
						0	110	220	330	440	550	
Service Delivery Area 4		Supportive Environment: Coordination and partnership development (national, community, public-private)										
1	Number of NGOs representatives and volunteers trained to provide support to TB patients in treatment process	Period 6	1295	2475	191							
Objective 3		Treating patients who developed drug-resistant TB forms of disease due to various causes										
Service Delivery Area 5		Treatment: Control of drug resistance										
3	Number of patients with MDR-TB receiving adequate treatment	Period 6	50	30	60							

4. Disbursement History

*Note: In the absence of previous agreements, and noting in the future we will have agreed amounts and dates for disbursement, we have created an expected amount.
 The Expected Amount is calculated by subtracting the first disbursement from the 2 year approved budget and spreading the remaining portion evenly over 6 additional disbursement. The Expected Date is calculated by assuming that quarterly updates and disbursement requests are due within 45 days after completion of each quarter.

Expected vs. Actual Disbursements						
	Date		Amount		Cumulative	
	Expected	Actual	Expected *	Actual	Expected	Actual
1	24-Oct-2003	24-Oct-2003	93705	93705	93705	93705
2	16-Oct-2004	01-Sep-2004	373044	502523	466749	596228
3	15-Apr-2005	15-Mar-2005	373044	506450	839793	1102678
4	16-Oct-2005	19-Oct-2005	373042	110157	1212835	1212835

Expected vs. Actual Disbursements



5. Estimated under-disbursement in Phase 1

Estimated under-disbursement in Phase 1	Amount (in USD)	Amount (in %)
Phase 1 grant agreement amount	1,212,835	100 %
Less: actual disbursed to date	1,212,835	100 %
Less: expected additional disbursement until the end of Phase 1 grant agreement	0	0 %
Expected undisbursed amount at the end of Phase 1	0	0 %

1. How many months of the program lifetime are covered by the actual disbursements to date, including buffer period (e.g., 18 months, 21 months, 24 months, etc)?

24

2. Are actual disbursements to date significantly behind original disbursement schedules?

If yes, please comment:

Yes No

During the revolution, bank accounts were blocked and one disbursement was postponed. After this, disbursements came back on track.

3. Do the expected additional disbursements until the end of Phase 1 appear to be high compared to amounts previously disbursed?

If yes, please comment:

Yes No

Not applicable.

4. Is it anticipated that there will be undisbursed funds of a material amount at the end of the Phase 1 period?

If yes, please explain why and provide other relevant comments, inf any:

Yes No

Not applicable.

6. Expenditures and Cash Balance

Principal Recipient Cash Balance	Amount (in USD)	Amount (in %)	Date
Actual disbursed to date by the Global Fund (to PR)	1,212,835	100 %	30-Nov-05
Less: Direct payments for PR Expenditures	908,208	75 %	
Less: PR disbursements to sub-recipients	33,433	3 %	
PR cash-balance	271,194	22 %	30-Nov-05

1. Are there any significant PR commitments to date that will be expended during the current or the next reporting period?

If yes, please give detailed comments:

Yes No

The PR accrued interest from bank deposits in 2004 and 2005 amount to US\$1,103. This has been deducted from the total amount of PR's expenditures. Therefore, the cash balance of the PR was US\$271,194 as of 30 November 2005.

At the time the cash balance was verified by the LFA, the outstanding commitments to be paid until May 2006 were estimated as US\$271,195, which represent:

Procurement of the second line TB drugs from IDA (US\$112,000 will be paid in March 06);
 Procurement of the first line TB drugs (US\$103,933 will be paid in December 05) - the PR covered these expenses to ensure an uninterrupted supply of first line drugs (this gap occurred because the conclusion of a new agreement with KfW was more lengthy than expected).
 Other procurements (auditing services, other purchases and services) (US\$55,262 will be paid from December 2005 till May 2006).

2. Is the PR cash-balance of a material amount (relative to disbursements received from the Global Fund)?

If yes, please explain why and provide other relevant comments, if any: (e.g., if disbursements received from the Global Fund cover a period beyond the expenditure period, unpaid commitments, implementation delays, etc)

Yes No

The cash balance is material in absolute figures, but is offset by outstanding commitments.

E. CONTEXTUAL CONSIDERATIONS

1. Have there been significant adverse external influences (force majeure)? Yes No

Grant implementation was almost blocked from March to July 2005 due to revolutionary events in Kyrgyzstan.

1.1. If yes, have they been (or are they being) alleviated? Yes No

The end date of the Phase 1 has been extended from 28 February 2006 to 31 May 2006. However, the Phase 2 start date remains 1 March 2006, thus creating an overlap of the Phase 1 and Phase 2 during one quarter. To pay justice to the force majeure, the program completion date should be extended by 1 quarter.

2. Are there any unresolvable internal issues? Yes No

The CCM is functioning well with participation of various governmental and non-governmental sectors and international partners.

3. Are there financial and program management issues (e.g., slow or incomplete disbursements to sub-recipients or issues with the PR)? Yes No

The answer to this question is "No" but as contextual information the following should be noted: during spring 2005 program implementation experienced delays due to the political situation in the country. As at Quarter 7 the PR has caught up with implementation and has achieved and even overachieved most of the programmatic targets.

4. Are there any systemic weaknesses in:

4.1. Monitoring and evaluation?

Yes No

In general, the PR's data collection and reporting are systematic.

4.2. Procurement and Supply Chain Management?

Yes No

Not applicable.

4.3. Any other areas?

Yes No

Not applicable.

5. Are there any material issues concerning quality or validity of data?

Yes No

Not applicable.

6. Are there major changes in the program-supporting environment (e.g., recent initiation of capacity strengthening, support of implementation by technical partners)?

Yes No

Before the start of the program, there were no NGOs registered involved in fighting TB. Today, the participation of non-governmental sector in TB prevention has considerably increased. The National TB Program cooperates with 6 public foundations.
 The only negative influence on program implementation in terms of continuity of political commitment is the political instability in the country.

7. Has the program demonstrated significant improvements in implementation over the last 6 months?

Yes No

Up to the Q7 the PR has demonstrated solid program performance. The PR has achieved or exceeded the targets for 10 out of 11 indicators. In Q7 the PR started the MDR-TB treatment for 30 patients out of 50 approved by the Green Light Committee.

Under the premises of the National Center of Phthisiology the first Reference laboratory in the country was opened in January 2006 with the financial assistance of the Global Fund and KfW (German Bank for Reconstruction and Development).

8. Have there been any changes in disease trends?

Yes No

In its Request for Continued Funding the CCM has noted that stabilization of case notification rate and of the TB mortality rate has been observed in Kyrgyz Republic. However, at the end of the second year of the program it is too early to assess the impact on the disease trends.

9. Is there information that would indicate that the program was not advancing the Global Fund's operating principles to:

9.1. Promote broad and inclusive partnerships?

Yes No

UN agencies (especially WHO) and other international partners (Project HOPE) are actively engaged in providing technical assistance and support directly to the PR or through active participation in the CCM.

9.2. Promote sustainability and national ownership through use of existing systems and linkages with related strategies and programs?

Yes No

National Center of Phthisiology (PR) is responsible for general coordination of TB prevention activities and treatment in the country. It plays a key role in ensuring that donor funds are directed to priority areas as defined by the National TB Program.

9.3. Provide additional resources?

Yes No

The German Bank for Reconstruction and Development (KfW) has confirmed the continuation of funding for the first-line drugs for TB patients for 2006-2010 and the provision of laboratory equipment for reference laboratories in Bishkek and in Osh (Southern part of the country).

10. Are there any synergies between this grant and other Global Fund financed programs (e.g., grants to be signed, other on-going grants, etc)?

Yes No

During the Round 2 in 2003 the CCM of the Kyrgyz Republic submitted one proposal for HIV, TB and Malaria components, however only HIV and TB components were approved. In 2005 (Round 5) the Global Fund approved a malaria proposal. Both PRs (National Center of Phthisiology and National AIDS Center) are cooperating in the area of HIV/TB. Both grants are primarily implemented by PRs with deep involvement of the Sub-Recipients (both governmental and non-governmental). Existing PRs are providing consultations and guidance to the new PR of the malaria grant (Department of Disease Control of the Ministry of Health).