On-going Progress Update and Disbursement Request

GENERAL GRANT INFORMATION

Country:	Kyrgyz Republic
Disease:	Tuberculosis
Grant Number:	KGZ-S10-G08-T
Principal Recipient:	UNDP Kyrgyzstan
Program Start Date:	1-Jan-2011
Currency:	USD

PROGRESS UPDATE

Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			

DISBURSEMENT REQUEST

Disbursement Request - Disbursement Period:	Cycle:	Annual	Number:	
Disbursement Request - Period Covered:	Beginning Date:		End Date:	
Disbursement Request - Number:				

Section 1: Programmatic Progress

Note: The table below should contain those Impact/Outcome indicators that are (1) due for reporting during the current year of a grant and (2) those reporting on which is overdue from the previous periods.

A. Impact / Outcome Indicators

Impact / Outcome	Indicator Description	Baseline (if applicable) Value	Baseline (if applicable) Year	Year of Target	Intended Target	Report Due Date	Actual Result	Data Source of Results	Comments on results on Impact/Outcome Indicators and data sources, and any other comments
Impact	TB mortality rate (Number of registered deaths due to TB (all cases per year per 100 000)	9	2009	2013	7,5	14 Aug- 2015	7,00	R&R system	The latest national data shows the TB mortality rate of 7.0 per 100,000 population or 406 total TB deaths, occured countrywide in 2014. Of them 389 were registerd in civilian health sector and the remaining 17- in prisons. The actual mortality rate indicator meets 7.5 per 100,000 population, targeted for 2014.
Outcome	Notification rate for new smear positive TB cases : new smear positive TB cases notified to the National Health authorities during a specified period per 100 000 population	32	2007	2013	33	15 Aug- 2015	31,70	R&R system	The latest national data shows the notification rate of new smear positive cases at 31.7 per 100, 000 population or total 1849 cases, registered contrywide in 2014. Of them 1809 were reported by civilian and 40 - by prison health sectors. Female represented 805 (44%) and male- 1044 cases (56%). The actual notification rate for the new smear positive cases, registered in 2014 was slightly below the predicted value of this indicator.
Outcome	Notification rate for all forms of TB cases (including new smear positive, smear negative, extrapulmonary and relapses) notified to the National Health authorities during a specified period per 100 000 population	109	2009	2013	105	16 Aug- 2015	109,50	R&R system	The latest national data shows the notification rate of all forms of TB cases equal to 109.5 per 100, 000 population or 6990 absolute cases, registered contrywide in 2014. There were 1849 new smear positive and 2407 new smear negative cases among them as well as 1624 extrapulmonary and 510 relapses. Among them the male gender was is represented by 3 619 cases (57%) and female by 2771 (43%) . The civilian health sector contributed 6233 cases (98%), while the rest 157 (2%) relate to prisons. During the reporting period the notification rate of all forms of TB exceeded the prediction.
Outcome	Treatment success rate among new smear positive TB cases: new smear positive TB cases successfully treated (cured plus completed) out of those new smear positive TB cases notified to the Health authorities during specified period (number and percentage)	82%	Apr/08-march 09	2012	84% (2013 cohort)	17 Aug- 2015	81,20%	R&R system	Of 1670 new smear positive TB cases, reported by NTP for Y2013, 1349 were assessed by NTP for outcomes. The rest 321 cases were either reconsidered for their TB diagnosis, or on the basis of their drug resistance profile were transferred to the DR-TB register (according to the new WHO definitions).Thus, the overall treatment success rate among the new smear positive cases, registered in 2013 was reported at 81.2% (1095 out of 1349). Prison health sector achieved 84.6 % (22 out of 26), civil sector - 81.2% (1074 out 1323). We highlight that for the first time of the grant, the results of the prison and civilian sectors were equal. Previously the prison sector used to demonstrate significantly lower outcomes compare to the civilian sector. The overall indicator was achieved at 97% compare to the target.
Outcome	Treatment success rate, laboratory confirmed MDR TB cases successfully treated(cured plus completed) among those enrolled in second-line treatment during the year of assessment (number and percentage)	50%	2007	2010	62% (2012 cohort)	18 Aug- 2015	62,70%	R&R system	The target value of the indicator set at the level of 62% was achieved. The results among MDR patients were higher than in the previous cohort and amounted to 62.7% versus 56.9%. In addition, the decline indicator of lost for follow up continued and within 3 years it has has decreased from 36.5% to 16.4% (cohorts of 2009 and 2012, respectively).
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On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	KGZ-S10-C-GFF-T				
Progress Update - Reporting Period:	Cycle:	Semester	Number:	2	
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015	
Progress Update - Number:	8				

Note: All programmatic indicators contained in the current Performance Framework should be listed, regardless of whether there are targets/results for the period covered by the Progress Update or whether the targets have been met in previous periods.

B. Programmatic Indicators

Objective No.	* Indicator No.	Indicator Description	Tied To	Targets cumulative?	Top 10 Indicator?	Baseline (if applicable)		Intended Target to date	Actual Result to date	% achievement (Please calculate as appropriate)	Reasons for programmatic deviation from intended target and deviations from the related workplan activities
						Value	Year				
1	1	Number of new bacteriologically confirmed TB cases notified to national health authority	National Program	Y-cumulative annually	Yes - Top 10	1 720	2007	918	1035	113%	(1) the new reporting framework, recently introduced by NTP defines the due date of the quarterly report on the TB case registration on the Q-1 modality. In this regard the actual result data aggregates the notifications, related to Q-4 2014 and Q1 2015. (2)the National TB data reports 1035 new bacteriologically confirmed TB cases, notified to the health authorities in 4 Q 2014 and 1 Q 2015. Of them female represent 445 and male- 590 cases. The civilian health sector contributes 994 of them and the rest 41 cases relate to prisons. (3) the high actual result of this indicator was achieved through the effect of such GF funded interventions as TA and training of the medical staff, procurement of lab. reagents and consumables and introducing of the motivation payments to the medical staff, based on the performance based approach (4) the high actual result stem directly from introduction of the new WHO definitions as well: now this indicator captures the additional cases, diagnosed by culture and rapid tests, which was not the case before taking into effect the new definitions
1	2	Number of TB cases (all forms, new and relapses) notified to national health authority	National Program	Y-cumulative annually	Yes - Top 10	6 329	2005	2859	3234	113%	(1) the new reporting framework, recently introduced by NTP defines the due date of the quarterly report on the TB case registration on the Q-1 modality. In this regard the actual result data aggregates the notifications, related to Q-4 2014 and Q1 2015. (2) total number of all TB cases, reported by NTP during the reporting period, was equal to 3234 against 2858 targeted. The overall number of all cases notified consists of 1035 new bacteriologically confirmed, 1008 new smear negative/clinically confirmed and 784 extrapulmonary, 407 relapse cases. Of them the male gender was represented by 1863 cases and female by 1371 . The civilian health sector contributed 3129 cases, and the rest 105 relate to prisons. The indicator of all TB cases notified was performed at 113 %. (3) the high actual result of this indicator was achieved through the effect of such GF funded interventions as TA and training of the medical staff, procurement of lab. reagents, consumables, X-Ray films and introducing of the motivation payments to the medical staff, based on the performance based approach (4) the high actual result of this indicator stem directly from introduction of the new WHO definitions as well: now this indicator captures the additional relapse cases, confirmed clinically, which was not the case before the new definitions were taken into effect.
1	3	Number and per cent of new smear positive sensitive TB cases that are successfully treated	National Program	Y-cumulative annually	Yes - Top 10	82% (1 531 / 1 871)	Apr, 08-Mar, 09 cohort	84%(791/942)	82%(636/776)	97%	(1) of 963 new smear positive TB cases, reported by NTP for 1-2 Q Y2014, 778 were assessed for outcomes by NTP. The rest 185 cases were either reconsidered for their TB diagnosis, or transferred to the DR-TB register on the basis of their drug resistance profile (according to the new WHO definitions).Thus, the treatment success rate among the new smear positive cases, registered in 1-2 Q 2014 was reported at 82 % (636 out of 778). Prison health sector achieved 57.1 % (8 out of 14), civil sector - 82.2% (628 out 764) (2) compare to the previous reporting period, the outcomes of the prison sector declined from 84.6 % to 57.1 %. The PR has requested GSIN, NTP and ICRC to look for reasons why prison health sector did not manage to maintain the achieved improvement .
2	4	Number of laboratory confirmed MDR/ XDR/RR-TB patients enrolled on second line anti-TB treatment (in both civil and penitentiary sectors)	Current grant	Y-cumulative annually	Yes - Top 10	380	2008	530	623	118%	(1) during the reporting period the National TB program has commenced on treatment 623 MDR/XDR/RR patients against 530 originally scheduled. (2) the sensitivity profile disaggregation consists from 517 MDR, 83 RR-TB and 23 XDR cases. The disaggregation by health sectors includes of 572 civilian and 51 prison patients. The breakdown by gender is of 195 female and 428 male cases.
2	5	Interim result: culture conversion of MDR-TB/XDR/RR cases at six months: MDR/XDR/RR-TB cases initiated on a second-line treatment who have a negative culture at the end of six months of treatment during the specified period of assessment	Current grant	N-not cumulative	No	73,5% (86/117)	Q3-4,2011	78%	75.70%	97%	(1) the culture conversion rate at six months of MDR/XDR treatment was at 75.7 % among the patients, registered in 2-3-Q 2014 (527/696). The result among the MDR patients was at 77 % (522/678) and at 27.7 % (5/18) among the XDRs. The indicator have achieved the target at 97%. (2) the low results among the XDR patients are due to the ineffective scheme for treatment of XDR patients is available in the country. (3) improvement of the outcomes among XDR cases can be only expected when the new drugs, not currently in the national treatment protocol, will be introduced

2	6	Number of MDR/XDR/RR-TB patients on treatment receiving patient support (food, hygiene packages, money allowances) for better adherence to treatment- includes inpatient and outpatient treatment	Current grant	N-not cumulative	No	380	2008	1186	1170	99%	During the reporting period motivation support has been provided to 1170 MDR/XDR/RR-TB patients. Of the 1135 received money allowances, 24 dairy products and 11 food parcels. The distribution of the motivation support to patients is based on the performance based approach and only those, who has taken every single dose or missed not more than 2 during the month, eligible for motivation support. The gender disaggregation of number of MDR/XDR/RR-TB patients,who received the motivation support includes 471 female and 699 male cases. Besides, the motivation support was provided to 156 sensitive patients of the psychiatric TB hospital Chym- Korgon and pediatric TB hospitals Archaly and Cholpon- Ata (it is not reflected in the indicator). Also, the motivation support was provided to 105 PDR patients on the SLD treatment (also not reflected in the indicator).
2	7	Number TB service staff trained in DR-TB management locally and number of nurses trained for provision of DR-TB treatment adherence counselling.	Current grant	Y-cumulative annually	No	75	2004-2008	0	0		NA
2	8	Number of MDR/XDR/RR-TB patients counselled and trained on DR-TB treatment during the inpatient treatment phase.	Current grant	Y-cumulative annually	No	-	2008	421	786	187%	In total 786 MDR/XDR/RR-TB patients were counseled on the different aspects of the DR TB during the in patient phase of treatment. The gender disaggregation of this number includes 208 female and 578 male. The indicator was as twice as overachieved due to it stemmed directly from indicator of enrollment into the treatment: more than scheduled patients were enrolled on the UNDP procured drugs (see indicator 4) and additional 218 patients were enrolled on the UNITAID drugs (this enrollment is not reflected in this PUDR). All these patients were the subject for counseling and training, and then seen in the indicator of the coverage with the counselling and training.
2	9	TB cases with result for drug susceptibility testing: TB cases with results for diagnostic DST for MDR-TB among those eligible for drug susceptible testing according to national policy	National Program	N-not cumulative	No	0	2011	60%	93 % (1066/1147)	155%	(1) although the data source for this indicator in the PF is stated as the 'electronic database' the data for this indicator continue to be collected manually and using the paper reporting forms. The electronic data base, which is essential to monitor and report this indicator is still not in place. Inaccuracy of reporting of this indicator may exist. (2) the data source for this indicator are the district TB 03 registers. The presented data reflects 3-4 Q 2014 cohorts . c) the DST results were collected from the solid media method. d) numerator is the number of new and re-treatment bacteriologically positive TB cases with recorded DST results denominator is the number of eligible new and re-treatment bacteriologically confirmed cases, registered during the reporting period.
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*** Indicator No. should correspond to the indicator number listed in the approved Performance Framework of the grant (1.1, 1.2, etc.)**

C. Analysis of data quality and reporting issues

(i) This section should contain (1) a summary of issues related to data quality and reporting on programmatic indicators, and any relevant issues which are not covered in 'Reasons for programmatic deviation', and (2) remedial actions that are underway or planned to address these issues.

The insufficient quality of the TB programmatic data is still an issue. Electronic database, which is being developed by Project HOPE under the GF TB grant is pending. The National recording and reporting system continue to be the paper based and manually collected. The TB specialists perceive the new WHO reporting framework , which is for the present time is being implemented in the country, to be difficult. All these factors together with the high turnover of the trained staff affect the accuracy of reporting. Improvement is expected, when the electronic data base is finalized and implemented. UNDP continues to undertake the regular M&E visits jointly with national and regional TB specialists, provides the technical input and advices to NTP, verifies data on spot and cross checks the accuracy of the reports.

PROGRESS UPDATE PERIOD

Grant number:	KG2-[redacted]-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	8
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			

Section 2: Grant Management

A. PR COMMENTS ON THE FULFILLMENT OF CONDITIONS PRECEDENT AND/OR SPECIAL CONDITIONS UNDER THE GRANT AGREEMENT

†Please include in this table the CP number as per Grant Agreement and full text of CPs and/or other special conditions due for fulfilment during this period or outstanding from previous periods.
†Some Special Conditions may apply to more than one period of grant implementation. Their fulfilment during one period does not automatically imply fulfilment in subsequent periods. The LFA should verify that the status of such conditions is reported by the PR during each period concerned.

Conditions Precedent and/or other special conditions	Status	PR Comments on Progress of Implementation
Conditions Precedent to Disbursement of Grant funds to finance the procurement of the second-line Anti-TB drugs (Tentative Date as stated in Item 5A of the Face Sheet):	Select	
Unless otherwise notified by the Global Fund in writing, prior to the use of grant funds to finance the procurement of second-line anti-tuberculosis drugs, the Principal Recipient shall :	Select	
a. By 31 May 2015 ensure that the current approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan (including the number of MDR TB patients to be treated and the list and quantifications of the medicins to be procured for the MDR TB program, reflecting the principal Recipient's finalized forecast for the grant implementation period covered by the Grant agreement) is up to date and reflects the actual needs of the country (the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section B, item a)	Unmet - In Progress	The fulfilment of the given Condition precedent is in progress: (1)The forecast of number of patients to be treated and the quantification of drugs to be procured were discussed during the country dialogue on the NFM application for the GF funding in 2016-2017. UNDP took an active part in this process and provided technical input. For the time being the process of estimation of number of patients to be treated in 2016-2017 completed and the quantification of drugs calculated. These estimations were included into the NFM application, which for the time being is being developed under the leadership of the WHO and the GF international consultant. Some changes still possible as the process of developing of the NFM application has not been completed. (2) Due to for the time required for the full and consultative process necessary for submission of the concept note application for GF funding in 2016-2017, the update of the approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan was reprioritised to second priority. Now that the Concept Note has been submitted national and international partners can dedicate time to the MDR expansion plan. (3) Despite all the stakeholders prioritising development of the NFM application, UNDP continues efforts aiming at lobbying the MoH to take action toward to update the MDR-TB expansion plan. UNDP has sent the official letters to MoH and NTP, requesting them to initiate the process of revision of this document ; their response is pending. UNDP also lobbied the international technical agency KNCV to assist the MoH and NTP to update the MDR expansion plan and reached the agreement, that KNCV includes this activity into their work plan for September 2015.
b. For each Disbursement Request that includes funds for the procurement of MDR-TB medicines deliver to the Global Fund in form and substance satisfactory to the Global Fund written confirmation of the price estimates and quantities of the second-line anti- tuberculosis drugs that will be procured from the Green Light Committee/ Global Drug Facility procurement agent by the Principal Recipient in accordance with the approval by the Green Light Committee(the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section B, item b)	Met	Following the endorsement of the given Condition precedent, UNDP has revised the existed procurement operational practices and established the new rule to look for the written GF approval prior to place the drug orders. In total 3 drug orders were placed for procurement during the reporting period, having in place the GF confirmation of their price quotations and drugs quantifications.
C. SPECIAL TERMS AND CONDITIONS FOR THIS AGREEMENT:	Select	
1. The Principal Recipient shall cooperate with the relevant office of the Green Light Committee (the "GLC") in the GLC's efforts to provide support to the Principal Recipient with respect to the implementation, management and monitoring of the MDR-TB-related services provided in-country and any needed scale-up of such services. Accordingly, the Principal Recipient shall budget and authorize the Global Fund to disburse up to a maximum of US$ 50,000, or a lower amount as agreed with GLC and the Global Fund, each year to pay for GLC services (the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section C, item #1)	Met	UNDP cooperates with the Green Light committee on the issues, related to the different aspects of MDR TB management on the regular base. As requested by the GF, the money to pay the GLC services is reflected in the TB grant budget and the disbursement for the current year was made by the Global Fund directly to GLC on 4 June 2015.
	Select	

Section 2: Grant Management

Please list all issues raised in the last Management Letter from the Global Fund or outstanding from previous Management Letters, and comment on the progress. Please include the date of the management letter and the item number.

Global Fund Management Actions	PR Comments on Progress of Implementation
The Principal Recipient shall cooperate with the relevant office of the Green Light Committee (the "GLC") in the GLC's efforts to provide support to the Principal Recipient with respect to the implementation, management and monitoring of the MDR-TB-related services provided in country and any needed scale-up of such services. (management letter dated 4 June 2015 item #1)	UNDP cooperates with the Green Light committee on the issues, related to the different aspects of MDR TB management on the regular basis. As requested by the GF, the money to pay the GLC services secured in the TB grant budget and disbursed by the Global Fund directly to GLC on 4 June 2015.
Unless otherwise notified by the Global Fund in writing, prior to use of grant funds to finance the procurement of the second-line drugs, the principal recipient shall : a. By 31 May 2015 ensure that the current approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan (including the number of MDR TB patients to be treated and the list and quantifications of the medecins to be procured for the MDR TB program, reflecting the principal Recipient's finalized forecast for the grant implementation period covered by the Grant agreement) is up to date and reflects the actual needs of the country; b. For each Disbursement Request that includes funds for the procurement of MDR-TB medicines deliver to the Global Fund in form and substance satisfactory to the Global Fund written confirmation of the price estimates and quantities of the second-line anti- tuberculosis drugs that will be procured from the Green Light Committee/ Global Drug Facility procurement agent by the Principal Recipient in accordance with the approval by the Green Light Committee (management letter dated 4 June 2015 item #2)	The fulfilment of the management action is in progress: (1)The forecast of number of patients to be treated and the quantification of drugs to be procured were discussed during the country dialogue on the NFM application for the GF funding in 2016-2017. UNDP took an active part in this process and provided technical input. For the time being the process of estimation of number of patients to be treated in 2016-2017 completed and the quantification of drugs calculated. These estimations were included into the NFM application, which for the time being is being developed under the leadership of the WHO and the GF international consultant. Some changes still possible as the process of developing of the NFM application has not been completed. (2) Due to for the time required for the full and consultative process necessary for submission of the concept note application for GF funding in 2016-2017, the update of the approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan was reprioritised to second priority. Now that the Concept Note has been submitted national and international partners can dedicate time to the MDR expansion plan. (3) Despite all the stakeholders prioritising development of the NFM application, UNDP continues efforts aiming at lobbying the MoH to take action toward to update the MDR-TB expansion plan. UNDP has sent the official letters to MoH and NTP, requesting them to initiate the process of revision of this document ; their response is pending. UNDP also lobbied the international technical agency KNCV to assist the MoH and NTP to update the MDR expansion plan and reached the agreement, that KNCV includes this activity into their work plan for September 2015. UNDP has revised the previous procurement operational practices and established the new rule to look for the written GF approval prior to place the drug orders. In total 3 drug orders were placed for procurement during the reporting period, having in place the GF confirmation of their price quotations and drugs quantifications.

Please indicate a date for the report due for submission. If a report is overdue, indicate the original due date and explain the reason for delay.

Required Documentation	Due date (dd-mmm-yy)	Status	Comments
Certified Financial Statement	30-Jun-15	Submitted to GF	The Certified Financial Statement were submitted by UNDP HQs directly to the Global Fund on 10 July 2015.
Enhanced Financial Reporting (EFR)	1-Mar-16	Preparation on track	The EFR will be submitted along with the next PU/DR (July - December 2015).

...n-going Progress Update and Disbursement Request

...or RCC grants the cumulative section of the table below should contain cumulative amount from the start of the RCC and not from the start of Phase 1 of the program.

	Budget for Reporting Period	Actual Cash Outflow for Reporting Period	Variance	Reason for Variance	Cumulative Budget through period of Progress Update	Cumulative Actual Cash Outflow through period of Progress Update	Variance	Reason for Variance
...otal PR cash outflow v.s. budget	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	
a. PR's total expenditure	7 506 137	1 692 832	[illegible]	Positive Variance in the total amount of $ 5 814 305 relates to: Positive variance on categories HP and MED in the amount of $ 4 404 912 (please refer to below section): Positive variance on Category HR in the amount of $10 567 consist of: A) Unspent amount $6 687 for the activity 3.1.1 is committed for partial payment of annual perfomance bonus. B) Unspent funds in the amount of $3 880 which is relates to the activity 2.4.4. "IC contracts to support to 4 NTP staff on M&E". $ 2 347 will be paid to 3 IC contractors in the next implementation period, Expected savings in the amount of $1 533. Positive variance on Category LS in the amount of $22 657 consists of: A) Unspent funds in amount of $1 586 related to: 1) Act. 2.4.8 Support to treatment adherence: incentives (daily product) for TB patients of Chym-Korgon psychyatric hospital. Commitments in the amount of $220 to be paid in the next reporting period for products delivered in June 2015. 2) Act 2.4.9. Support to treatment adherence: kefir for MDT-TB patients on in-patient treatment, including penitentiary sector. Commitments in the amount of $1 366 to be paid in the next reporting period for products delivered in June 2015. B) Unspent funds in the amount of $ 21 071 will be spent in the next implementation period per Act 2.4.9 "Support to treatment adherence; kefir for MDT-TB patients on in-patient treatment, including penitentiary sector". Positive variance on Category Over is $ 426 823 relates to: A) Unspent amount of $ 471 398 for Act. 3.1.6 UNDP administrative charges GMS 7% will be charged by UNDP CO upon CDR finalization and delivery of goods. B) Unspent amount of $ 6506 for Act 3.1.4 which are committed to cover rent and operational office expenditure. C) Adjustments in the amount of $51 081 for GMS 7% charged by UNDP CO upon submission of PU/DR for the previous semester 8. Positive variance on Category PSM is $723 916 consists of: 1) Negative variance for Act 2.3.8 $162,492 is caused due to distribution of local PSM costs (warehousing, transportation, security services) and commitments of FY 2014 2) Positive variance for Act 2.3.8.1 $96,836. Commitments $59,734. Remaining amount $37,102 is due to services procured on the local market, unspent amount will reprogrammed.	23 427 003,97	13 801 935	[illegible]	Positive Cumulative Variance in the total amount of $ 9 [illegible] relates to: Unspent amount of $7 317 953 on category HP&MED (see explanations below) Positive variance on Category HR in the amount of $ 16 304 consists of: A) Unspent amount $ 13226 for the activity 3.1.1 for Programme management cost relates to the savings due to changes in prorata rate within HIV and TB grant B) Unspent funds in the amount of $3 098 which is relates to the activity 2.4.4. "IC contracts to support to 4 NTP staff on M&E". Unspent funds in the amount of $ 2 347 will be paid to 3 IC contractors in the next implementation period. Expected savings in the amount of $ 647. The positive variance on Category Over is $ 884 602 relates to: A) Unspent amount of $ 871 632 for Act. 3.1.6 UNDP administrative charges GMS 7% will be charged by UNDP CO upon CDR finalization and delivery of goods. B) Unspent amount of $ 12 970 for Act 3.1.4 (Program management costs). There are Commitments in the amount of $206 for the office rent and for utilities to be paid in Semester 10. Unspent amount $ 12 764 will be used in the next implementation period after prorate between TB and HIV grants will be revised. The unspent amount on Category PSM is $ 1 068 979 consists of: 1) Positive variance for Act 2.3.8 $177,372 is caused due to commitments in FY2014 2) Positive variance for Act 2.3.8.1 $96,836. Commitments $59,734. Remaining amount $37,102 is savings and is available for use in extension. 3) Positive variance for Act 2.3.8.2. in amount of $343,510. Commitments $21,558.44. Remaining amount will be used for procurement of MED and HP from borrowing 2015 4) Positive variance for Act 2.3.8.3 in $309,902. Commitments $800,47. Remaining amount will be used for procurement of MED and HP from borrowing 2016 5) Positive variance for Act 2.3.9 $83,903. Savings from porevious Semester $4,442 and Semster 9 budgeted amount. TB drugs will be sent for QA testing in August 2015. Expenditures will be reflected in next PU_DR 6) Positive variance for Act 2.4.11 $1,436 is savings. Delivery costs are included into price of goods 7) Positive variance for Act 1.2.4.1 $52,185 will be committed after order placement under Act 1.2.2.1 in October 2015 8) Positive variance for Act 1.2.4. $4,835. Commitments $11,963. Expected negative variance $7,128 is due to hazardous packing. The unspent amount on Category IF is $4 316 which consists of: 1) Positive variance for Act 2.2.4 $4 316 will be committed for ... in Bishkek TB Center in August 2015
b. Disbursements to sub-recipients	528 412	230 752	[illegible]	Positive Variance in the total amount of $297 660 relates to: Unspent on category HR $9 535: relate to implementation of performance based scheme to top up salaries as per agreements with sub-recipients. The medical staff which did not achieve the established targets as per agreements with UNDP either are not paid or paid at reduced rate. $1605 to be disbursed to SR within direct payment process upon submission of SR reports on execution of services. Unspent amount on category LS $284 247: Unspent amount will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollement is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Also disbursment to SR for LS activity was less on cash balance at the beginning of the period Unspent amount on category Over $2 318 and M&E $1 561 The funds allocated for OVER and M&E is disbursed to SR as per actual needs minus cash balace on SR accounts.	1 442 754,41	1 103 230	[illegible]	Positive Variance in the total amount of $ 339 524 relates to: Unspent on category HR $41 813: relate to implementation of performance based scheme to top up salaries as per agreements with sub-recepients. The medical staff which did not achieve the established targets as per agreements with UNDP either are not paid or paid at reduced rate. $1605 to be disbursed to SR within direct payment process upon submission of SR reports on execution of services. Unspent amount on category LS $284 769: Unspent amount will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollement is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Also disbursment to SR for LS activity was less on cash balance at the beginning of the period. Unspent amount on category Over $ 3 574 and M&E $ 4 368 The funds allocated for OVER and M&E is disbursed to SR as per actual needs.

	Budget for Reporting Period*	Actual Cash Outflow for Reporting Period	Variance	Reason for Variance	Cumulative Budget through period of Progress Update	Cumulative Actual Cash Outflow through period of Progress Update	Variance	Reason for Variance
...otal pharmaceutical & health product ...enditures v.s. budget	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	
a. Medicines and pharmaceutical products	5 370 202	1 324 144	[illegible]	Positive Phase II-$3 964 653 Negative Phase I-$18995 The main reason for the large variance in the current period is the budget included the full (24 month) treatment course for each patient, whereas based on discussions with GDF and GF it was agreed that in the current semester we would order drugs for the intensive phase, and place order for the remaining months at a later stage. This decision was based on two main factors: (1) it is hoped that UNDP could benefit from falling prices by ordering at a later stage, (2) concerns about the number of MDR patients, as there are countries in the region that have not been able to detect and therefore treat the expected number of MDR patients. a) $1,371,996.08 - commitments; b) $1,536,136.00 (NFM 2015) - ongoing procurement. GDF will provide the the quotation in September 2015. There is issue related to Quan TB. GDF with GF will visit KGZ in the end of August 2015 and provide final approval for procurement to proceed; c) $2,052,772.83 (NFM 2016) - waiting for GF approval for procurement. The GF advised to postpone this procurement until the Quan TB program is installed; d) Savings in the amount of $168,477,00 is related to the fact ordered quantity of drugs less than quantity specified in PSM plan. The variance by activity is broken down as follows: 1) Act. 2.3.1 negative variance in the amount of $ 1,217,870,00 (payments of commitments from previous FY 2013/2014) 2) Positive variance for Act. 2.3.1.1. in amount of $554,106. Commitments FY 2015 is $506,719.57 . Expected savings in amount of $47,387 3) Positive variance for Act 2.3.1.2. in amount of $51,683 is due to cheaper price of Kanamycine. All planned quantity is committed. $51,683 is savings 4) Positive variance for Act 2.3.1.3 in amount of $100,333 is given without commitments in FY 2015. Commitments is $33,132.86. All planned quantities are committed. Expected savings $67,200 5) Positive variance for Act. 2.3.1.4 in the total amount of $ 1,873,750.28 (from borrowing/NFM 2015). Commitments $551,704 covering 1st shipment only, will be paid upon delivery of goods. Remaining $1,322,046.46 2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations. 6) Positive variance for Act. 2.3.1.5 in the total amount of $ 311,390 (from borrowing/NFM2015). Commitments $143,344 covering 1st shipment only. Remaining $168,046 (2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations 7) Positive variance for Act. 2.3.1.6 in the total amount of $ 1,772,810 (from borrowing 2016) the contracting was postponed for Sept-Oct 2015 as per recommendations from GF and GDF. 8) Negative variance for ACT.2.3.2 in the amount of $22,422.00 is commitments of FY2013-2014.	14 953 064	8 100 594	[illegible]	The variance on category MED related to: 1) Act. 2.3.1 positive variance in the amount of $ 1,627,508.00 is committed for the procurement of 2nd line drugs ($1,627,508) 2) Positive variance for Act. 2.3.1.1. in amount of $554,106. Commitments FY 2015 is $506,719.57. Expected savings in amount of $47,387 3) Positive variance for Act 2.3.1.2. in amount of $51,683 is due to cheaper price of Kanamycine. All planned quantity is committed. $51,683 is savings 4) Positive variance for Act 2.3.1.3 in amount of $100,333 is given without commitments in FY 2015. Commitments is $33,132.86. All planned quantities are committed. Expected savings $67,200 5) Positive variance for Act. 2.3.1.4 in the total amount of $ 1,873,750.28 (from borrowing/NFM 2015). Commitments $551,704 covering 1st shipment only, will be paid upon delivery of goods. Remaining $1,322,046.46 2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations. 6) Positive variance for Act. 2.3.1.5 in the total amount of $ 311,390 (from borrowing/NFM2015). Commitments $143,344 covering 1st shipment only. Remaining $168 046 (2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations 7) Positive variance for Act. 2.3.1.6 in the total amount of $ 1,772,810 (from borrowing 2016) the contracting was postponed for Sept-Oct 2015 as per recommendations from GF and GDF 8) Positive variance for Act 2.3.2.1 in amount of $57,076. Commitments $35,768.47. Remaining amount $2,307.53 is savings 9) Positive variance for Act 2.3.2.2 in amount of $78,129 (from borrowing -NFM2015). Commitments $32,069. The contracting of remaining amount is postponed til November 2015 as per GDF and GF recommendations 10) Positive variance for Act 2.3.2.3 in amount of $275,722 (from borrowing 2016) the contracting was postponed to Sept-Oct as per recommendations from GF and GDF 11) Positive variance for Act 2.3.3 in the amount of $ 1,335.30 are commitments of FY2013/2014. 12) Positive variance for Act. 2.3.3.1 in amount of $5,515(from borrowing / NFM 2015) will be commited in November 2015 13) Positive variance for Act 2.3.3.2. in amount of $4,241 (from borrowing 2016) will be committed in November 2015 14) Positive variance for Act. 2.3.4 in the total amount of $ 110,718.60 relates amount reprogrammed for 2015 with increase of patients number for lab testing excluding commitments in amount of $30,678. Remaining amounts are savings and are available for extension period. 15) Positive variance for Act 2.3.4.1 in the total amount of $ 21,000.00 will be used for procurement of goods in extension period. 16) The amount of $ 6 254.00 relates to the savings of Phase I
b. Health products and health equipment	464 328	25 274	439 054	The variance on category HP related to: 1) Positive variance for Act 1.2.2 in amount of $21,833. Commitments $13,253. Expected variance $8,580 is savings 2) Positive variance for Act 1.2.2.1 in amount of $ 347,900 (borrowing 2016) under contracting. Will be commited in October 2015. 3) Positive variance for Act 1.2.3 in amount of $604,00. Commitments $517,00. Remaining amount $87,00 is savings 4) Positive variance for Act 2.2.3 in amount of $11,477. Commitments $7,500. Remaining variance $3,977 will be used for maitenance for MGIT machines 5) Positive variance for Act 2.2.6.1 in amount of $39,000. Commitments $18,787, remaining amount $20,213 is savings 6) Positive variance for Act 2.3.1.9 in amount of $9,531 (borrowing 2016) is related to procurement of 2nd line TB drugs from borrowing 2016 that is postponed till Sep-Oct 2015 7) Positive variance for Act 2.3.1.10 in amount of $ 2,286. Commitments $3,290. Expected negative variance is due to higher prices of syringes 8) Positive variance for Act 2.3.1.11 in amount of $10,708. Commitments $11,092. Expected negative variance $384,50 related to higher prices of syringes 9) Positive variance for Act 2.3.5 in amount of $5,465 is savings 10) Positive variance for Act 2.3.5.1 $3,978. Commitments $2,965. Expected positive variance in amount of $1,013 is savings 11) Positive variance for Act 2.3.5.2 $10,573. Commitments $7,470. Expected positive variance $3,103 is savings 12) Positive variance for Act 2.3.5.3 $3,710. Commitments $6,465. Expected negative variance is $2,755 is related to higher prices of goods(budgeted 0,7 USD and procured 1,04 USD) 13) Negative variance for Act 2.3.6 $8,011 is related to commitments of FY2014	1 527 601	1 062 118	465 483	The variance on category HP related to: 1) Positive variance for Act 1.2.2 in amount of $21,833. Commitments $13,253. Expected variance $8,580 is savings 2) Positive variance for Act 1.2.2.1 in amount of $ 347,900 (borrowing 2016) under contracting. Will be commited in October 2015. 3) Positive variance for Act 1.2.3 in amount of $604,00. Commitments $517,00. Remaining amount $87,00 is savings 4) Positive variance for Act 2.2.3 in amount of $11,477. Commitments $7,500. Remaining variance $3,977 will be used for maitenance for MGIT machines 5) Positive variance for Act 2.2.6.1 in amount of $39,000. Commitments $18,787, remaining amount $20,213 is savings 6) Positive variance for Act 2.3.1.9 in amount of $9,531 (borrowing 2016) is related to procurement of 2nd line TB drugs from borrowing 2015 that is postponed till Sep-Oct 2015 7) Positive variance for Act 2.3.1.10 in amount of $ 2,286. Commitments $3,290. Expected negative variance is due to higher prices of syringes 8) Positive variance for Act 2.3.1.11 in amount of $10,708. Commitments $11,092. Expected negative variance $384,00 related to higher prices of syringes 9) Positive variance for Act 2.3.5 in amount of $5,465 is savings 10) Positive variance for Act 2.3.5.1 $3,978. Commitments $2,965. Expected positive variance in amount of $1,013 is savings 11) Positive variance for Act 2.3.5.2 $10,573. Commitments $7,470. Expected positive variance $3,103 is savings 12) Positive variance for Act 2.3.5.3 $3,710. Commitments $6,465. Expected negative variance is $2,755 is related to higher prices of goods(budgeted 0,7 USD and procured 1,04 USD) 13) Negative variance for Act 2.3.6 $8,011 is related to commitments of FY2014 14) Positive variance in amoutn of $6,429 is savings from Phase I

On-going Progress Update and Disbursement Request

Annex to PU/DR - Sub-recipient financial information - FOR DISCRETIONARY COMPLETION, UPON THE SECRETARIAT'S REQUEST

Has the Secretariat requested the PR to complete this Annex for this reporting period?

Grant number:	KGZ-S10-G08-T		
Progress Update - Reporting Period:	Cycle:	Semester	Number:
Progress Update - Period Covered:	Beginning Date:	01/01/15	End Date: 30 June 20
Progress Update - Number:			9
Currency:	USD		

Name of Entity	Type of Implementing Entity	Date of Most Recent Disbursement to SR	Budget for Reporting Period*	Disbursed during Reporting Period*	Cumulative Budget through period of this Progress Update*	Cumulative Disbursed through period of this Progress Update*	Cumulative Actual Expenditure through period covered by this Progress Update PUDR8	Cumulative Actual Expenditure through period covered by this Progress Update	Cash balance at the end of the period covered by this Progress Update	Variance between Latest Cumulative Expenditure Reported and Cumulative Budget	PR's explanation of variance (1) between cumulative budget and cumulative expenditure and (2) between cumulative disbursement and cumulative expenditure (mandatory for amounts above $50,000 or equivalent and with more than 10% variance)
BATKEN OBLAST TB CENTER	005771	27-APR-2015	5 901	2 495	41 995	28 461	25 835	28 206	0,00	13 789	
BISHKEK CITY TB CENTER	005756	28-APR-2015	41 970	33 575	195 616	160 331	119 297	153 621	2 719,69	41 995	
CHUI OBLAST CENTER TI FIGHT TB	005753	27-APR-2015	29 121	29 091	126 011	118 773	87 333	115 816	60,55	10 195	The main reasons for variance between SR cumulative budget and SR cumulative disbursement / expenditure are due to Category HR -The reason of saving is that the UNDP uses performance based modality of incentive payments for governmental medical staff. While the programme budget is estimated assuming 100% performance and full amount of incentives to be paid, the actual payments to some of the staff, was less due to the below targets programme results.
ISSYK-KUL OBLAST TB CENTER	005774	13-MAY-2015	19 919	16 624	112 994	94 642	74 952	83 194	9 831,03	29 800	
JALALABAD OBLAST TB CENTER	005772	21-MAY-2015	32 220	32 220	151 555	148 982	110 840	143 982	-7,59	7 573	Furthermore, the variance occurred due to estimated budget was based on the assumption that all staff positions were filled. However, the number of staff is insufficient and due to high turnover this is an ongoing situation. This leads to savings.
MAIN DEPARTMENT OF PUNISHMENT EXECUTION	005775	22-JUN-2015	10 690	10 231	58 600	50 825	37 903	44 767	5 119,94	13 833	
NARYN OBLAST TB CENTER	005773	22-APR-2015	13 164	11 459	61 443	57 597	43 895	55 849	690,33	5 594	Category LS -Disbursements below the budgeted amounts led to savings. The reason is that some of the health care institutions have organized the specimens' collection and transportation from remote areas to the oblast levels laboratories. In this connection, there is no need to some of the patients to travel anymore and receive compensation of transportation cost from the grant fund.
NCP	005747	30-JUN-2015	64 008	38 308	262 932	209 719	155 077	195 618	9 022,99	67 314	
OSH OBLAST TB CENTER TO FIGHT TB	005754	15-MAY-2015	45 632	44 242	197 731	186 384	137 346	183 672	10,63	14 059	
TALAS OBLAST TB CENTER	005755	19-MAY-2015	12 420	12 506	57 504	52 515	39 340	51 174	333,75	6 330	
Other			253 366	-	176 375	-	-	-	0	176 375	Unspent amount will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollment is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement.
TOTAL			528 412	230 752	1 442 755	1 106 229	831 818	1 055 899	27 781,66	386 855	

*TOTAL amount for these columns should reconcile with relevant amounts under "1b Disbursed to Sub Recipients" in Section 3A"
** Where the number of SRs is significant (over 10), SRs with small budgets (less than $50,000 cumulative each) do not need to be reported separately and the figures can be aggregated in a group called "Other Minor SRs"

On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	KCZ-S10-G08-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			

Section 4: Procurement and Supply Management

		Comments
1a. Have you updated the Price Quality Reporting (PQR) with the required information on the pharmaceuticals and health products received during the period covered by this PU/DR' (If applicable)? If health products procurement information has not been entered into the PQR, please explain why. 1 For further guidance on PQR data entry, please refer to the guidelines.	Yes	All shipments of 2nd line TB drugs arrived in the reporting period were recorded in the PQR
2. Based on the most up-to-date stock situation, are there any risks of stockouts of key pharmaceuticals & health products at the central level in the next period of implementation? If yes, please comment.	No	All orders were placed in time and expect timely shipment, no stock out is expected within approved budget 1) 2nd line TB drugs for 35 patients procured within 1 Phase savings arrived in January 2015 - 3rd shipment; 2) 3rd shipment of 2nd line TB drugs for 520 patients (3 items) arrived in February 2015; 3) 3rd shipment of 2nd line TB drugs for 520 patients (PASc) arrived in May 2015; 4) 2nd shipments of 3rd line TB drugs for 14 patients (cohort 520 patients) arrived in March 2015; 5) 1st shipment of side effect drugs (520 patients) for 2014 arrived in February 2015; 6) 2nd shipment of side effect drugs (520 patients) for 2014 arrived in June 2015; 7) X-Ray films for 520 & 530 patients arrived in May 2015; 8) 2nd line TB drugs for 530 patients shipped in January 2015, with further shipments in October 2015 and July 2016; 9) 3rd line TB drugs for 14 patients (cohort 530 patients) arrived in March 2015; 10) 2nd line TB drugs (INJECTABLES) for 168 MDR TB patients arrived in March 2015; 11) 3rd line TB drugs for 14 patients (cohort 530 patients) arrived in March 2015; 12) NRL provided request for procurement of reagents and consumables for 2016 in June 2015. The procurement is ongoing.

3. Comment on additional issues related to the procurement and supply management of pharmaceuticals and health products

The Global Fund approved the revised WP&B in implementation letter number 4, dated 1 April 2015, and disbursed funds for the drugs orders for patient enrollment for the second half of 2015 on 2 June 2015. As UNDP is aware of the need to ensure adequate stocks of 2nd and 3rd line TB drugs, UNDP took the following actions:
1) Borrowed funds within UNDP (totaling $893,659), so that necessary orders for drugs could be placed;
(2) Liaised with GDF and GLC so that quotations in line with the WP&B, were ready for placing as soon as the WP&B was approved.
We highlight that following recommendations from GF and GDF, and in order to obtain better prices and shelf lives, 2nd and 3rd shipments under NFM borrowing 2015 and borrowing 2016 were re-scheduled to September - November 2015. These orders will be placed following the GDF /GLC mission on 24 August.
All other goods planned in frames of WP and Budget 2015 are procured and orders placed. No stockouts are expected.

On-going Progress Update and Disbursement Request

DISBURSEMENT REQUEST PERIOD

Grant number:	KGZ-S10-G08-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			
Currency:	USD			

! A Statement of Sources and Uses of Funds (SSUF) is to be provided by PR along with the PUDR form

Section 5: Cash Reconciliation and Disbursement Request

A: CASH RECONCILIATION FOR PERIOD COVERED BY PROGRESS UPDATE

	1. Cash Balance: Beginning of period covered by Progress Update (line 10 from Cash Reconciliation section of the period covered by the previous Progress Update):		5 226 158
Add:	2. Cash received by the PR from the Global Fund during the period covered by this progress update:	6 772 226	
	3. Cash disbursed to third parties by the Global Fund on behalf of the PR during the period covered by this progress update:	50 000	
	4. Interest received on bank account	42 459	
	5. Revenue from income-generating activities (if applicable)		
	6. Other income, if applicable (e.g. income from disposal of fixed assets, tax refunds)	74	6 864 759
Less:	7. Total cash outflow during period covered by Progress Update (value entered in Section 3A "Total cash outflow"):	2 121 584	
	8. Net exchange rate gains/losses *(gains should be shown with a minus sign; losses should be shown with a plus sign)*	785	
	9. Reconciliation adjustments *(gains should be shown with a minus sign; losses should be shown with a plus sign)*	0	2 122 369
	10. Cash Balance: End of period covered by Progress Update:		9 968 548

Explanation of reconciliation adjustments (line 9)

! An explanation must be provided if there have been any adjustments.

On-going Progress Update and Disbursement Request

DISBURSEMENT REQUEST PERIOD

Grant number:	KGZ-S10-G08-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			
Currency:	USD			

Section 5: Cash Reconciliation and Disbursement Request

B: DISBURSEMENT REQUEST

Total forecasted net cash expenditures by the Principal Recipient for the period immediately following the period covered by the Progress Update:

1. Period beginning date:		end date:		approved budget amount:		forecasted amount:		
2a. Cash buffer period (by default)								
(cash "buffer") beginning date:		end date:		approved budget amount:		forecasted amount:		
							PR Total Forecast	
2b. Additional "buffer" (discretionary, select only if there is a prior agreement with the FPM) (1)							0	
cash "buffer" agreed with FPM (2)	Select							
(cash "buffer") beginning date		end date:		approved budget amount:		forecasted amount:		

(1) Additional Cash buffer can be requested if the next PU/DR report will contain a completed EFR report or a completed Annex on SR financials, requested by the Secretariat, or if there are any additional GF-specific requirements that cannot be delivered within 45 days. An agreement in principal from the FPM should be obtained prior to requesting an additional cash buffer.

(2) When the additional (cash "buffer") period is 1 or 2 months, the approved budget and forecasted amounts should be calculated as prorated values for the period following the regular buffer period.

Please explain any significant variance (based on your judgment) between the forecasted amounts and the amounts as per approved budgets. Please specify the main factors and related amounts that are the major drivers of the variance. NB. Consider the following items when providing the analysis. - Expected timing of payments for any significant budgetary items, - Impact of existing cash balance at SR levels - Current confirmed commitments to be paid during disbursement request period - Current/expected unit prices compared to those in the budget - Change in quantities compared to budget - Exchange rates and inflation - Linkage between budget absorption and programmatic performance to-date. ! The forecast should include any existing commitments (eligible under this grant) as of the end of the reporting period and which are likely to be paid during the disbursement period	

3. Cash Balance: End of period covered by Progress Update (number 10 from PR Cash Reconciliation sheet):	9 968 548	
Less:		
4. Cash "in transit" disbursed to the PR:		
5. Cash "in transit" disbursed to third parties by the Global Fund on behalf of the PR		9 968 548
6. PR's Disbursement Request to the Global Fund for the period immediately following the period covered by the Progress Update, plus additional period (cash buffer):		0
7. Does the PR's Disbursement Request include funds for health product procurement?	Yes	

8. Exchange Rate (used to translate local currency into grant currency)

		Name of local currency, date and source of the exchange rate, and other comments (if appropriate)
- used to convert Opening Cash Balance		KGS
- used to convert Closing Cash Balance		KGS
- used to convert Total Cash Outflow for the Progress Update Period		KGS

On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	KGZ-S10-G08-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			

Section 6: Overall Performance

A. PR's Overall Self-Evaluation of Grant Performance (including a summary of how financial performance is linked to programmatic achievements)

! The self-evaluation should be undertaken by taking into account programmatic achievements, financial performance and program issues in various functional areas (M&E, Finance, Procurement, and Program Management, including management of sub-recipients). See Guidelines for more detailed guidance.

Summary: During the reporting period the current TB grant has been approaching the time of closure in December 2015. To ensure the continuity of services during the period between end of the current TB grant and beginning of the following NFM funding, UNDP and GF signed the Agreement on extension of the program till 31 March 2016. Thus the money for the extended period and for covering of the gap in provision of drugs in the second part of 2015 has been borrowed from the country allocation to the NFM funding. This action led to the budget of UNDP increased at more than $ 6 million.

We highlight the disbursement of the GF funds per the Extension Agreement till March 2016, was made on 2 June 2015 and received by UNDP on 8 June 2015. This was too late to place the order for drugs for the second part of 2015. To avoid the inevitable outcome of an interruption of services caused by the late disbursement of the GF funds, UNDP borrowed funds from its internal resources to procure drugs and prevent the interruption of enrollment into treatment of MDR patients. These drugs have just arrived and will provide the universal access to treatment to all the DR-TB patients of 2015. Besides, the provision of these drugs will help to happen the new initiative of UNDP and implement the treatment of the PDR patients, which never existed before.

The TB grant continued with strong programme performance, reflected in the rating A1 for the period of 1.07.2014-31.12.2014. The following program period, which covers 1.01.2015-30.06.2015 was assessed against 5 impact\outcome and 8 coverage indicators. Three Top 10 indicators were achieved exceeding 100% and one Top 10 indicator- at 97%. Two not Top 10 indicators were achieved at 97%-99%, and two of them exceeded 100%.

The financial performance over the reporting period (Semester 9) is at the level of 26.4 % of the budgeted amount USD 8,033,549. In the current reporting period the amount USD 2,121,584 was spent; but the burn rate including commitments is 70%. The commitments are in the amount of USD 3,505,535 for procurement of 2nd line anti-TB drugs for MDR-TB patients, maintenance of laboratory equipment, X-ray films for MDR, XDR, PDR TB patients for 2015, Syringes and water for injections; PSM cost, storage and office expenses.

The cumulative financial performance is at the level of 74%, which is calculated as "budget vs. expenses, commitments and disbursements to SRs".

The cash balance at the end of period in amount $ 9,968,548 is largely committed:

1) 3,505,535 for procurement of 2nd line anti-TB drugs for MDR-TB patients, maintenance of laboratory equipment, X-ray films for MDR, XDR, PDR TB patients for 2015, Syringes and water for injections; PSM cost, storage and office expenses;

2) for 7% GMS for 2015 in amount of $ 871 632 to be charged next reporting period by UNDP upon payment of PO

3) ongoing procurement

- $1,536,136.00 (NFM 2015) - ongoing procurement. GDF will provide the quotation in September 2015. There is issue related to Quan TB. GDF with GF will visit KGZ in the end of August 2015 and provide final approval for procurement;
- $2,052,772.83 (NFM 2016) - waiting for GF approval for procurement. The GF advised to postpone this procurement until the Quan TB program is installed;
- PSM associated to ongoing procurement is $538 336.24

4) The rest funds allocated for PR and SR operational activities for next reporting period

Programmatic performance: Programmatic performance: During the reporting period, UNDP continued providing major support related to diagnostics and treatment of MDR TB. All the planned activities were implemented in a timely and comprehensive manner. The timely procurement and receipt of drugs allowed the scheduled enrollments into treatment to be fully respected. The new mechanisms of grant operation, which were implemented in the beginning of Phase 2, were successful: (1) reimbursement of transportation fee to MDR patients became available countrywide; (2) new modality of adherence support proved to be more attractive to patients compared with the previous one; (3) performance based scheme of motivations to medical staff resulted in improved program indicators; and (4) contracts with the outsource biochemistry labs ensured all patients to access free of charge tests for SLD side effects (4) The modified modality of procurement of the side effect drugs in blisters, which replaced the hospital packaging of drugs, used to be procured previously, have been continued and allowed the free access to the side effect drugs not only in the hospitals, but in the PHC level as well; (5) the procurement of the third line TB drugs, initiated by UNDP in 2013, have resulted in implementation of the treatment of the XDR TB, which did not exist before; (6) Due to delay of the GF disbursement, the additional TB drugs for 2015 have been procured using the UNDP money and have begun to arrive. This procurement will cover the gap in drug provision in the second part of 2015 and help implement the new initiative of UNDP to implement the PDR treatment, which did not exist before.

SRs management: During the reporting period UNDP continued to implement 6.4 % of the TB grant activities through Agreements with 10 SR organizations. They represent the Governmental sector and include the civilian and prison health institutions. According to the Agreements with UNDP, SRs continued to be engaged into educating and counseling patients, paying them transportation fee and monthly money allowances, transportation of specimens and paying the salary top-ups to the medical staff. In particular, during the reporting period, SRs conducted 100 transportations and delivered to NRL and OIRL 1962 samples for DST analysis. They also conducted 25 monitoring visits and visited 102 health facilities in the district and primary health care levels. Also, during the inpatient phase of treatment SRs counselled and trained 786 MDR\XDR\RR patients, provided motivation support to 1170 MDR\XDR\RR of them and paid top-up salaries to the medical staff .

In order to ensure the effective implementation of Agreements between UNDP and SRs, the PR has continued providing trainings on management of grant funds to the staff of the TB Centers and SSPE . UNDP also continued to provide the continuous technical support to them: on-site visits, on job coaching and consultations were on-going together with the efforts to maintain the improved system of SR to PR reporting. During the reporting period the PR has conducted 8 monitoring visits and visited 48 health facilities. Reports were developed and circulated among the affected institutions, NTP and MoH. SRs continue submitting the standard reports to UNDP and original financial documents on a quarterly basis. The results of their verification are used by the UNDP to make decisions on the volume of the next transfers. In addition, UNDP is in the process of implementing into the operational practice of the SRs of the TB grant of the new UNDP SR management tool.
In addition, in order to ensure timely identification of problems and implementation of corrective measures, UNDP monitors all the processes taking place at the level of SRs during the execution of the grant agreements.
Within the reporting period the majority of SRs have been demonstrating significant progress in quality and timely performance of activities, outlined in the Agreements with UNDP.
Thus, the SRs financial delivery during the reporting period was equal to 44 % (the disbursed amount was equal to $ 230,752.39 against $ 528,411.5 budgeted). UNDP signed contract with 10 SR organization for amount up to $275,045 for half a year activities; out of these work plan and budget; UNDP made disbursement in amount of $230,752.39; thus disbursement rate is 83.89%. Undistributed budget is allocated for LS; which will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollement is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Also disbursment to SR for LS activity was less on cash balance at the beginning of the period.

Procurement of health products and medicines: The Global Fund approved the revised WP&B in implementation letter number 4, dated 1 April 2015, and disbursed funds for the drugs orders for patient enrollment for the second half of 2015 on 2 June 2015. As UNDP is aware of the need to ensure adequate stocks of 2nd and 3rd line TB drugs, UNDP proactively managed the situation by taking the following actions:
1) Borrowed funds within UNDP (totaling $893,659), so that necessary orders for drugs could be placed;
(2) Liaised with GDF and GLC so that quotations in line with the WP&B, were ready for placing as soon as the WP&B was approved.
We highlight that following recommendations from GF and GDF, and in order to obtain better prices and shelf lives, 2nd and 3rd shipments under NFM borrowing 2015 and borrowing 2016 were re-scheduled to September - November 2015. These orders will be placed following the GDF /GLC mission on 24 August.
All other goods planned in frames of WP and Budget 2015 are procured and orders placed. No stockouts are expected. The main reason for the large variance in the current period is the budget included the full (24 month) treatment course for each patient, whereas based on discussions with GDF and GF it was agreed that in the current semester we would order drugs for the intensive phase, and place order for the remaining months at a later stage. This decision was based on two main factors: (1) it is hoped that UNDP could benefit from falling prices by ordering at a later stage, (2) concerns about the number of MDR patients, as there are countries in the region that have not been able to detect and therefore treat the expected number of MDR patients.

Lessons learnt: (1) The introduction of the innovative mechanisms of the TB grant implementation helped to achieve the better program results and to meet the established targets.
(2) The National Health system weaknesses, like lacking electronic data base, staff demotivation and turn-over, the suboptimal drug management seriously affect the TB grant implementation
(3) The disproportion between the technical and financial support, which is available from the international stakeholders creates the difficult environment for the TB grant implementation . As international aid is mainly focused on providing technical assistance and the Government funds are not sufficient, all the needs of the TB program are expected to be covered by the TB grant of the GF. In the situation when the resources of the GF also limited, such strategy becomes risky and at present it is difficult to see that the Government will finance the essential TB control activities, not included into the NFM application.
(4) The performance based approach to providing incentives to the medical staff and patients is more efficient compared to the universal approach, which is not underpinned by strong performance management principles.

B. Planned Changes in the Program, if any

In the following grant period UNDP have plan to implement the treatment of the PDR cases which did not exist before. The drugs for these patients have been procured and have aready begun to arrive in country.
We also highlight that the delays in disbursement from GF may have detrimentally impacted the supply the drugs. This risk was mitigation through the use of UNDP internal resources.

C. External factors beyond the control of the Principal Recipient that have impacted or may impact the Program

(1) The grant operates in the extremely difficult environment, being exposed by the weaknesses of the National Health System from one side and the increasing pressure from the GF, requesting UNDP to not only to implement the grant, but to mobilise support to address the system weaknesses as well. UNDP has neither mandate, the financial nor human resources for being involved into the Health System reforms or regulation of the drug market. We believe, that success in prohibit of non- prescribed sale of the TB drugs, establishing the system for monitoring adverse effects of drugs together with the recording and reporting forms, decrease the length of hospitalization and revision of the National TB strategy, stand beyond the scope of this grant for the drug resistant TB, being implemented by UNDP. Recognizing that the improvement of the whole the National health system is essential, UNDP

revision of the National TB strategy, stand beyond the scope of this grant for the drug resistant TB being implemented by UNDP. Recognizing that the improvement of the whole the National health system is essential, UNDP believes, that it can be achieved rather by the joint efforts of all the national and international stakeholders, working in the TB control, than solely by the PR, addressing the only aspect of the TB control.
(2) The perspective for transition of the TB grant to the MoH in 2016 is uncertain. The income, demographic, economic, and financial and the TB burden reality makes it difficult to the country in 2016 to become able to assume the responsibility for all the services, currently supported by UNDP and Project HOPE.
3) There is lack of continuity between the ending TB grant and the replacing NFM. This fact may result in the interruption in provision of the essential TB services, which were implemented in the time of UNDP PRship. The access to the beneficiaries may suffer as well.
(4) Transfer of responsibility for procurement of the prequalified first line TB drugs from project HOPE to the inexperienced National TB center poses the risk of delays and interruptions in future drug provision.
(5) The programs of the international stakeholders, who exited the country without ensuring of the further sustainability, seriously damage the life saving activities of the NTP. In particular, in 2013 the KFW donated to NTP the sophisticated laboratory without ensuring allocation of the Governmental funds into the MoH budget for its post warrantee maintenance. Looking for the source of finances to maintenance of this laboratory in 2016-2017, NTP has allocated more than $500,000 into the budget of the NFM application to the GF funding in 2016-2017. This action resulted in the removal of the limited GF funds from the life saving activities to finance the maintenance of machines, ventilation and procurement of consumables, which according to the Agreement between MoH and KFW should have been financed by the Government
(6) The new National Drug Policy, which states that all the drugs, procured using grant funds, should be registered in the country, may affect the budget and procurement timelines of the GF TB grant
(7) The introduction of the short MDR schemes, offered by the international expert during the process of preparation of the NFM application for 2016-2017, include the use of the off-label medicine Cfz. The off label status of this drug is consequent that it can be procured, respecting the special pre-conditions. The nature of these preconditions does not allow the country to fulfil them. In the event if during the process of preparation of the NFM application, this issue will not be resolved with the company producer, the procurement of drugs in the framework of the NFM may become extremely problematic. This issue requires negotiation in the level of WHO, STOP TB Partnership and cannot be resolved in the level of the program implementation. (8) Kyrgyzstan renounced a bilateral agreement with the United States signed in 1993, which provided the legal framework for US assistance in the country. The decision will come into effect on August 20 and will halt the operations of the US Agency for International Development (USAID) in the country. Possibly, that the operation of the health projects, including those, providing the technical assistance to the TB program and financed by USAID, will be affected by this decision.

On-going Progress Update and Disbursement Request

GENERAL GRANT INFORMATION

Country:	Kyrgyz Republic
Disease:	Tuberculosis
Grant number:	**KGZ-S10-G08-T**
Principal Recipient:	UNDP Kyrgyzstan
Program Start Date:	1-Jan-2011
Currency:	USD

PROGRESS UPDATE PERIOD

Progress Update - Reporting Period:	**Cycle:**	Semester	**Number:**	9
Progress Update - Period Covered:	**Beginning Date:**	1-Jan-2015	**End Date:**	30-Jun-2015
Progress Update - Number:	9			

DISBURSEMENT REQUEST PERIOD

Disbursement Request - Disbursement Period:	**Cycle:**	Annual	**Number:**	
Disbursement Request - Period Covered:	**Beginning Date:**		**End Date:**	
Disbursement Request - Number:				

Section 7: Cash Request and Authorization

A: CASH REQUEST

On behalf of the PR, the undersigned hereby requests the Global Fund to disburse funds under the above-referenced Grant Agreement as follows:

1. Cash amount requested from the Global Fund (from line 14 – "PR's Disbursement Request" in the tab "PR_Disbursement Request_4B"), in grant currency: **0**

2. Amount requested in words (in: USD): _____

B: AUTHORIZATION

The undersigned acknowledges that: (i) all the information (programmatic, financial, or otherwise) provided in this Progress Update and Disbursement Request is complete and accurate; (ii) funds disbursed in accordance with this request shall be deposited in the bank account specified in block 9 of the face sheet of the Grant Agreement unless otherwise specified herein; and (iii) funds disbursed under the Grant Agreement shall be used in accordance with the Grant Agreement.

Signed on behalf of the Principal Recipient:
(signature of Authorized Designated Representative) _____

UNDP CO
ARR
ERKINBEK KASYBEKOV

13/8/15

Name: _____

Title: _____

Date and Place: _____

NB: Please ensure that section 7C Bank Details on the following page is completed, if (1) this is a split disbursement (i.e. disbursement going to more than one recipient) or (2) if there have been changes to the bank details since the previous disbursement.

On-going Progress Update and Disbursement Request

GENERAL GRANT INFORMATION

Country:	Kyrgyz Republic
Disease:	Tuberculosis
Grant Number:	KGZ-S10-G08-T
Principal Recipient:	UNDP Kyrgyzstan
Program Start Date:	1-Jan-2011
Currency:	USD

PROGRESS UPDATE

Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	9			

DISBURSEMENT REQUEST

Disbursement Request - Disbursement Period:	Cycle:	Annual	Number:	
Disbursement Request - Period Covered:	Beginning Date:		End Date:	
Disbursement Request - Number:				

Section 1: Programmatic Progress

Note: The table below should contain those Impact/Outcome indicators that are (1) due for reporting during the current year of a grant and (2) those reporting on which is overdue from the previous periods.

Impact / Outcome	Indicator Description	Baseline (if applicable) Value	Baseline (if applicable) Year	Year of Target	Intended Target	Report Due Date	Actual Result	Data Source of Results	Comments on results on Impact/Outcome indicators and data sources, and any other comments
Impact	TB mortality rate (Number of registered deaths due to TB (all cases per year per 100 000)	9	2009	2013	7,5	14 Aug- 2015	7,00	R&R system	The latest national data shows the TB mortality rate of 7.0 per 100,000 population or 406 total TB deaths, occured countrywide in 2014. Of them 389 were registerd in civilian health sector and the remaining 17- in prisons. The actual mortality rate indicator meets 7.5 per 100,000 population, targeted for 2014.
Outcome	Notification rate for new smear positive TB cases : new smear positive TB cases notified to the National Health authorities during a specified period per 100 000 population	32	2007	2013	33	15 Aug- 2015	31,70	R&R system	The latest national data shows the notification rate of new smear positive cases at 31.7 per 100, 000 population or total 1849 cases, registered contrywide in 2014. Of them 1809 were reported by civilian and 40 - by prison health sectors. Female represented 805 (44%) and male- 1044 cases (56%). The actual notification rate for the new smear positive cases, registered in 2014 was slightly below the predicted value of this indicator.
Outcome	Notification rate for all forms of TB cases (including new smear positive, smear negative, extrapulmonary and relapses) notified to the National Health authorities during a specified period per 100 000 population	109	2009	2013	105	16 Aug- 2015	109,50	R&R system	The latest national data shows the notification rate of all forms of TB cases equal to 109.5 per 100, 000 population or 6390 absolute cases, registered contrywide in 2014. There were 1849 new smear positive and 2407 new smear negative cases among them as well as 1624 extrapulmonary and 510 relapses. Among them the male gender was is represented by 3 619 cases (57%) and female by 2771 (43%) . The civilian health sector contributed 6233 cases (98%), while the rest 157 (2%) relate to prisons. During the reporting period the notification rate of all forms of TB exceeded the prediction.
Outcome	Treatment success rate among new smear positive TB cases: new smear positive TB cases successfully treated (cured plus completed) out of those new smear positive TB cases notified to the Health authorities during specified period (number and percentage)	82%	Apr/08-march 09	2012	84% (2013 cohort)	17 Aug- 2015	81,20%	R&R system	Of 1670 new smear positive TB cases, reported by NTP for Y2013, 1349 were assessed by NTP for outcomes. The rest 321 cases were either reconsidered for their TB diagnosis, or on the basis of their drug resistance profile were transferred to the DR-TB register (according to the new WHO definitions).Thus, the overall treatment success rate among the new smear positive cases, registered in 2013 was reported at 81.2% (1096 out of 1349). Prison health sector achieved 84.6 % (22 out of 26), civil sector - 81.2% (1074 out 1323). We highlight that for the first time of the grant, the results of the prison and civilian sectors were equal. Previously the prison sector used to demonstrate significantly lower outcomes compare to the civilian sector. The overall indicator was achieved at 97% compare to the target.
Outcome	Treatment success rate, laboratory confirmed MDR TB cases successfully treated(cured plus completed) among those enrolled in second-line treatment during the year of assessment (number and percentage)	50%	2007	2010	62% (2012 cohort)	18 Aug- 2015	62,70%	R&R system	The target value of the indicator set at the level of 62% was achieved. The results among MDR patients were higher than in the previous cohort and amounted to 62.7% versus 56.9%. In addition, the decline indicator of lost for follow up continued and within 3 years it has has decreased from 38.5% to 16.4% (cohorts of 2009 and 2012, respectively).
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On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	[illegible]				
Progress Update - Reporting Period:	Cycle:	Quarter	Number:	8	
Progress Update - Period Covered:	Beginning Date:	1-Oct-2014	End Date:	30-Jun-2015	
Progress Update - Number:	8				

Note: All programmatic indicators contained in the current Performance Framework should be listed, regardless of whether there are targets/results for the period covered by the Progress Update or whether the targets have been met in previous periods.

Objective No.	* Indicator No.	Indicator Description	Tied To	Targets cumulative?	Top 10 Indicator?	Baseline (If applicable)		Intended Target to date	Actual Result to date	% achievement (Please calculate as appropriate)	Reasons for programmatic deviation from intended target and deviations from the related workplan activities
						Value	Year				
1	1	Number of new bacteriologically confirmed TB cases notified to national health authority	National Program	Y-cumulative annually	Yes - Top 10	1 720	2007	918	1035	113%	(1) the new reporting framework, recently introduced by NTP defines the due date of the quarterly report on the TB case registration on the Q-1 modality, In this regard the actual result data aggregates the notifications, related to Q-4 2014 and Q1 2015. (2)the National TB data reports 1035 new bacteriologically confirmed TB cases, notified to the health authorities in 4 Q 2014 and 1 Q 2015. Of them female represent 445 and male- 590 cases. The civilian health sector contributes 994 of them and the rest 41 cases relate to prisons. (3) the high actual result of this indicator was achieved through the effect of such GF funded interventions as TA and training of the medical staff, procurement of lab. reagents and consumables and introducing of the motivation payments to the medical staff, based on the performance based approach (4) the high actual result stem directly from introduction of the new WHO definitions as well: now this indicator captures the additional cases, diagnosed by culture and rapid tests, which was not the case before taking into effect the new definitions
1	2	Number of TB cases (all forms, new and relapses) notified to national health authority	National Program	Y-cumulative annually	Yes - Top 10	6 329	2005	2858	3234	113%	(1) the new reporting framework, recently introduced by NTP defines the due date of the quarterly report on the TB case registration on the Q-1 modality. In this regard the actual result data aggregates the notifications, related to Q-4 2014 and Q1 2015. (2) total number of all TB cases, reported by NTP during the reporting period, was equal to 3234 against 2858 targeted. The overall number of all cases notified consists of 1035 new bacteriologically confirmed, 1008 new smear negative\clinically confirmed and 784 extrapulmonary, 407 relapse cases. Of them the male gender was represented by 1863 cases and female by 1371 . The civilian health sector contributed 3129 cases, and the rest 105 relate to prisons. The indicator of all TB cases notified was performed at 113 %. (3) the high actual result of this indicator was achieved through the effect of such GF funded interventions as TA and training of the medical staff, procurement of lab. reagents, consumables, X-Ray films and introducing of the motivation payments to the medical staff, based on the performance based approach (4) the high actual result of this indicator stem directly from introduction of the new WHO definitions as well: now this indicator captures the additional relapse cases, confirmed clinically, which was not the case before the new definitions were taken into effect.
1	3	Number and per cent of new smear positive sensitive TB cases that are successfully treated	National Program	Y-cumulative annually	Yes - Top 10	82% (1 531 / 1 871)	Apr, 08-Mar, 09 cohort	84%(791/942)	82%(636/778)	97%	(1) of 963 new smear positive TB cases, reported by NTP for 1-2 Q Y2014, 778 were assessed for outcomes by NTP. The rest 185 cases were either reconsidered for their TB diagnosis, or transferred to the DR-TB register on the basis of their drug resistance profile (according to the new WHO definitions).Thus, the treatment success rate among the new smear positive cases, registered in 1-2 Q 2014 was reported at 82 % (636 out of 778). Prison health sector achieved 57.1 % (8 out of 14), civil sector - 82.2% (628 out 764) (2) compare to the previous reporting period, the outcomes of the prison sector declined from 84.6 % to 57.1 %. The PR has requested GSIN, NTP and ICRC to look for reasons why prison health sector did not manage to maintain the achieved improvement .
2	4	Number of laboratory confirmed MDR/ XDR/RR-TB patients enrolled on second line anti-TB treatment (in both civil and penitentiary sectors)	Current grant	Y-cumulative annually	Yes - Top 10	380	2008	530	623	118%	(1) during the reporting period the National TB program has commenced on treatment 623 MDR\XDR\RR patients against 530 originally scheduled. (2) the sensitivity profile disaggregation consists from 517 MDR, 83 RR-TB and 23 XDR cases. The disaggregation by health sectors includes of 572 civilian and 51 prison patients. The breakdown by gender is of 195 female and 428 male cases.
2	5	Interim result: culture conversion of MDR-TB/XDR/RR cases at six months: MDR/XDR/RR-TB cases initiated on a second-line treatment who have a negative culture at the end of six months of treatment during the specified period of assessment	Current grant	N-not cumulative	No	73,5% (86/117)	Q3-4,2011	78%	75,70%	97%	(1) the culture conversion rate at six months of MDR/XDR treatment was at 75.7 % among the patients, registered in 2-3-Q 2014 (527/696). The result among the MDR patients was at 77 % (522/678) and at 27.7 % (5/18) among the XDRs. The indicator have achieved the target at 97%. (2) the low results among the XDR patients are due to the ineffective schema for treatment of XDR patients is available in the country. (3) improvement of the outcomes among XDR cases can be only expected when the new drugs, not currently in the national treatment protocol, will be introduced

2	6	Number of MDR/XDR/RR-TB patients on treatment receiving patient support (food, hygiene packages, money allowances) for better adherence to treatment- includes inpatient and outpatient treatment	Current grant	N-not cumulative	No	380	2008	1186	1170	99%	During the reporting period motivation support has been provided to 1170 MDR/XDR/RR-TB patients. Of the 1135 received money allowances, 24 dairy products and 11 food parcels. The distribution of the motivation support to patients is based on the performance based approach and only those, who has taken every single dose or missed not more than 2 during the month, eligible for motivation support. The gender disaggregation of number of MDR/XDR/RR-TB patients,who received the motivation support includes 471 female and 699 male cases. Besides, the motivation support was provided to 156 sensitive patients of the psychiatric TB hospital Chym- Korgon and pediatric TB hospitals Archaly and Cholpon- Ata (it is not reflected in the indicator). Also, the motivation support was provided to 105 PDR patients on the SLD treatment (also not reflected in the indicator).
2	7	Number TB service staff trained in DR-TB management locally and number of nurses trained for provision of DR-TB treatment adherence counselling.	Current grant	Y-cumulative annually	No	75	2004-2008	0	0		NA
2	8	Number of MDR/XDR/RR-TB patients counselled and trained on DR-TB treatment during the inpatient treatment phase.	Current grant	Y-cumulative annually	No	-	2008	421	786	187%	In total 786 MDR/XDR/RR-TB patients were counseled on the different aspects of the DR TB during the in patient phase of treatment. The gender disaggregation of this number includes 208 female and 578 male. The indicator was as twice as overachieved due to it stemmed directly from indicator of enrollment into the treatment: more than scheduled patients were enrolled on the UNDP procured drugs (see indicator 4) and additional 218 patients were enrolled on the UNITAID drugs (this enrollment is not reflected in this PUDR). All these patients were the subject for counseling and training, and then seen in the indicator of the coverage with the counselling and training.
2	9	TB cases with result for drug susceptibility testing: TB cases with results for diagnostic DST for MDR-TB among those eligible for drug susceptible testing according to national policy	National Program	N-not cumulative	No	0	2011	60%	93 % (1066/1147)	155%	(1) although the data source for this indicator in the PF is stated as the 'electronic database' the data for this indicator continue to be collected manually and using the paper reporting forms. The electronic data base, which is essential to monitor and report this indicator is still not in place. Inaccuracy of reporting of this indicator may exist. (2) the data source for this indicator are the district TB 03 registers. The presented data reflects 3-4 Q 2014 cohorts . c) the DST results were collected from the solid media method. d) numerator is the number of new and re-treatment bacteriologically positive TB cases with recorded DST results denominator is the number of eligible new and re-treatment bacteriologically confirmed cases, registered during the reporting period.
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*** Indicator No. should correspond to the indicator number listed in the approved Performance Framework of the grant (1.1, 1.2, etc.)**

C. Analysis of data quality and reporting issues

(i) This section should contain (1) a summary of issues related to data quality and reporting on programmatic indicators, and any relevant issues which are not covered in 'Reasons for programmatic deviation', and (2) remedial actions that are underway or planned to address these issues.

The insufficient quality of the TB programmatic data is still an issue. Electronic database, which is being developed by Project HOPE under the GF TB grant is pending. The National recording and reporting system continue to be the paper based and manually collected. The TB specialists perceive the new WHO reporting framework , which is for the present time is being implemented in the country, to be difficult. All these factors together with the high turnover of the trained staff affect the accuracy of reporting. Improvement is expected, when the electronic data base is finalized and implemented. UNDP continues to undertake the regular M&E visits jointly with national and regional TB specialists, provides the technical input and advices to NTP, verifies data on spot and cross checks the accuracy of the reports.

On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	KGZ-H-OSF			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	2
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	5			

Section 2: Grant Management

A. PR COMMENTS ON THE FULFILLMENT OF CONDITIONS PRECEDENT AND/OR SPECIAL CONDITIONS UNDER THE GRANT AGREEMENT

! Please include in this table the CP number as per Grant Agreement and full list of CPs and/or other special conditions due for fulfilment during this period or outstanding from previous periods.
! Some Special Conditions may apply to more than one period of grant implementation. Their fulfilment during one period does not automatically imply fulfilment in subsequent periods. The LFA should verify that the status of such conditions is reported by the PR during each period concerned.

Conditions Precedent and/or other special conditions	Status	PR Comments on Progress of Implementation
CONDITIONS	Select	
Unless otherwise notified by the Global Fund in writing, prior to the use of grant funds to finance the procurement of second-line anti-tuberculosis drugs, the Principal Recipient shall :	Select	
a. By 31 May 2015 ensure that the current Approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan (including the number of MDR TB patients to be treated and the list and quantifications of the medicine to be procured for the MDR TB program, reflecting the principal Recipient's finalized forecast for the grant implementation period covered by the Grant agreement) is up to date and reflects the actual needs of the country (the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section B, item a)	Unmet - In Progress	The fulfilment of the given Condition precedent is in progress: (1)The forecast of number of patients to be treated and the quantification of drugs to be procured were discussed during the country dialogue on the NFM application for the GF funding in 2015-2017. UNDP took an active part in this process and provided technical input. For the time being the process of estimation of number of patients to be treated in 2016-2017 completed and the quantification of drugs calculated. These estimations were included into the NFM application, which for the time being is being developed under the leadership of the WHO and the GF international consultant. Some changes still possible as the process of developing of the NFM application has not been completed. (2) Due to for the time required for the full and consultative process necessary for submission of the concept note application for GF funding in 2016-2017, the update of the approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan was reprioritised to second priority. Now that the Concept Note has been submitted national and international partners can dedicate time to the MDR expansion plan. (3) Despite all the stakeholders prioritising development of the NFM application, UNDP continues efforts aiming at lobbying the MoH to take action toward to update the MDR-TB expansion plan. UNDP has sent the official letters to MoH and NTP, requesting them to initiate the process of revision of this document ; their response is pending. UNDP also lobbied the international technical agency KNCV to assist the MoH and NTP to update the MDR expansion plan and reached the agreement, that KNCV includes this activity into their work plan for September 2015.
b. For each Disbursement Request that includes funds for the procurement of MDR-TB medicines deliver to the Global Fund in form and substance satisfactory to the Global Fund written confirmation of the price estimates and quantities of the second-line anti- tuberculosis drugs that will be procured from the Green Light Committee/ Global Drug Facility procurement agent by the Principal Recipient in accordance with the approval by the Green Light Committee(the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section B, item b)	Met	Following the endorsement of the given Condition precedent, UNDP has revised the existed procurement operational practices and established the new rule to look for the written GF approval prior to place the drug orders. In total 3 drug orders were placed for procurement during the reporting period, having in place the GF confirmation of their price quotations and drugs quantifications.
C. SPECIAL TERMS AND CONDITIONS FOR THIS AGREEMENT	Select	
1. The Principal Recipient shall cooperate with the relevant office of the Green Light Committee (the "GLC") in the GLC's efforts to provide support to the Principal Recipient with respect to the implementation, management and monitoring of the MDR-TB-related services provided in-country and any needed scale-up of such services. Accordingly, the Principal Recipient shall budget and authorize the Global Fund to disburse up to a maximum of US$ 50,000, or a lower amount as agreed with GLC and the Global Fund, each year to pay for GLC services.(the letter on extension of implementation period by three months with additional funding, dated 1 April 2015, section C, item #1)	Met	UNDP cooperates with the Green Light committee on the issues, related to the different aspects of MDR TB management on the regular basis. As requested by the GF, the money to pay the GLC services is reflected in the TB grant budget and the disbursement for the current year was made by the Global Fund directly to GLC on 4 June 2015.
	Select	

Section 2: Grant Management

Please list all issues raised in the last Management Letter from the Global Fund or outstanding from previous Management Letters, and comment on the progress. Please include the date of the management letter and the item number.

Global Fund Management Actions	PR Comments on Progress of Implementation
The Principal Recipient shall cooperate with the relevant cities of the Green Light Committee (the "GLC") in the GLC's efforts to provide support to the Principal Recipient with respect to the implementation, management and monitoring of the MDR-TB-related services provided in country and any needed scale-up of such services (management letter dated 4 June 2015 item #1)	UNDP cooperates with the Green Light committee on the issues, related to the different aspects of MDR TB management on the regular base. As requested by the GF, the money to pay the GLC services secured in the TB grant budget and disbursed by the Global Fund directly to GLC on 4 June 2015.
Unless otherwise notified by the Global Fund in writing, prior to use of grant funds to finance the procurement of the second-line drugs, the principal recipient shall : a. By 31 May 2015 ensure that the current approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan (including the number of MDR TB patients to be treated and the list and quantifications of the medicine to be procured for the MDR TB program, reflecting the principal Recipient's finalized forecast for the grant implementation period covered by the Grant agreement) is up to date and reflects the actual needs of the country; b. For each Disbursement Request that includes funds for the procurement of MDR-TB medicines deliver to the Global Fund in form and substance satisfactory to the Global Fund written confirmation of the price estimates and quantities of the second-line anti- tuberculosis drugs that will be procured from the Green Light Committee/ Global Drug Facility procurement agent by the Principal Recipient in accordance with the approval by the Green Light Committee (management letter dated 4 June 2015 item #2)	The fulfilment of the management action is in progress: (1)The forecast of number of patients to be treated and the quantification of drugs to be procured were discussed during the country dialogue on the NFM application for the GF funding in 2016-2017. UNDP took an active part in this process and provided technical input. For the time being the process of estimation of number of patients to be treated in 2016-2017 completed and the quantification of drugs calculated. These estimations were included into the NFM application, which for the time being is being developed under the leadership of the WHO and the GF international consultant. Some changes still possible as the process of developing of the NFM application has not been completed. (2) Due to for the time required for the full and consultative process necessary for submission of the concept note application for GF funding in 2016-2017, the update of the approved multi- drug resistant tuberculosis ("MDR-TB") expansion plan was reprioritised to second priority. Now that the Concept Note has been submitted national and international partners can dedicate time to the MDR expansion plan. (3) Despite all the stakeholders providing development of the NFM application, UNDP continues efforts aiming at lobbying the MoH to take action toward to update the MDR-TB expansion plan. UNDP has sent the official letters to MoH and NTP, requesting them to initiate the process of revision of this document ; their response is pending. UNDP also lobbied the international technical agency KNCV to assist the MoH and NTP to update the MDR expansion plan and reached the agreement, that KNCV includes this activity into their work plan for September 2015. UNDP has revised the previous procurement operational practices and established the new rule to look for the written GF approval prior to place the drug orders. In total 3 drug orders were placed for procurement during the reporting period, having in place the GF confirmation of their price quotations and drugs quantifications.

Please indicate a date for the report due for submission. If a report is overdue, indicate the original due date and explain the reason for delay.

Required Documentation	Due date (dd-mmm-yy)	Status	Comments
Certified Financial Statement	30-Jun-15	Submitted to GF	The Certified Financial Statement were submitted by UNDP HQs directly to the Global Fund on 10 July 2015.
Enhanced Financial Reporting (EFR)	1-Mar-16	Preparation on track	The EFR will be submitted along with the next PUDR (July - December 2015).

On-going Progress Update and Disbursement Request

For RCC grants the cumulative section of the table below should contain cumulative amount from the start of the RCC and not from the start of Phase 1 of the program.

	Budget for Reporting Period	Actual Cash Outflow for Reporting Period	Variance	Reason for Variance	Cumulative Budget through period of Progress Update	Cumulative Actual Cash Outflow through period of Progress Update	Variance	Reason for Variance
Total PR cash outflow vs. budget								
a. PR's total expenditure	7 966 757	1 360 802	[illegible]	Positive Variance in the total amount of $ 6 614 806 relates to: Positive variance on categories HP and MED in the amount of $ 4 404 912 (please refer to below section); Positive variance on Category HR in the amount of $10 567 consists of: A) Unspent amount $6 887 for the activity 3.1.1 is committed for partial payment of annual performance bonus. B) Unspent funds in the amount of $3 880 which is relates to the activity 2.4.4. "IC contracts to support to 4 HTP staff on M&E". $ 2 347 will be paid to 3 IC contractors in the next implementation period. Expected savings in the amount of $1 533. Positive variance on Category LS in the amount of $22 867 consists of: A) Unspent funds in amount of $1 586 related to: 1) Act. 2.4.8 Support to treatment adherence: Incentives (dairy product) for TB patients of Chym-Korgon psychyatric hospital. Commitments in the amount of $220 to be paid in the next reporting period for products delivered in June 2015. 2) Act 2.4.9. Support to treatment adherence: kefir for MDT-TB patients on in-patient treatment, including penitentiary sector. Commitments in the amount of $1 366 to be paid in the next reporting period for products delivered in June 2015. B) Unspent funds in the amount of $ 21 071 will be spent in the next implementation period per Act 2.4.9 "Support to treatment adherence: kefir for MDT-TB patients on in-patient treatment, including penitentiary sector". Positive variance on Category Over is $ 459 825 relates to: A) Unspent amount of $ 471 396 for Act. 3.1.5 UNDP administrative charges GMS 7% will be charged by UNDP CO upon CDR finalization and delivery of goods. B) Unspent amount of $ 8606 for Act 3.1.4 which are committed to cover rent and operational office expenditure. C) Adjustments in the amount of $51 081 for GMS 7% charged by UNDP CO upon submission of PU/DR for the previous semester 8. Positive variance on Category PSM is $723 918 consists of: 1) Negative variance for Act 2.3.8 $162,402 is caused due to distribution of local PSM costs (warehousing, transportation, security services) and commitments of FY 2014 2) Positive variance for Act 2.3.8.1 $96,836. Commitments $59,734. Remaining amount $37,102 is due to services procured on the local market, unspent amount will reprogrammed.	38 437 000,67	18 601 [illegible]	[illegible]	Positive Cumulative Variance in the total amount of $ [illegible] relates to: Unspent amount of $7 317 963 on category HP&MED (see explanations below) Positive variance on Category HR in the amount of $ 14 304 consists of: A) Unspent amount $ 13326 for the activity 3.1.1 for Programme management cost relates to the savings due to changes in prorata rate within HIV and TB grant B) Unspent funds in the amount of $3 088 which is relates to the activity 2.4.4. "IC contracts to support to 4 HTP staff on M&E". Unspent funds in the amount of $ 2 347 will be paid to 3 IC contractors in the next implementation period. Expected savings in the amount of $ 647. The positive variance on Category Over is $ 884 802 relates to: A) Unspent amount of $ 871 832 for Act. 3.1.5 UNDP administrative charges GMS 7% will be charged by UNDP CO upon CDR finalization and delivery of goods. B) Unspent amount of $ 12 970 for Act 3.1.4 (Program management costs). There are Commitments in the amount of $206 for the office rent and for utilities to be paid in Semester 10. Unspent amount $ 12 764 will be used in the next implementation period after prorata between TB and HIV grants will be revised. The unspent amount on Category PSM is $ 1 066 979 consists of: 1) Positive variance for Act 2.3.8 $177,372 is caused due to commitments in FY2014 2) Positive variance for Act 2.3.8.1 $96,836. Commitments $59,734. Remaining amount $37,102 is savings and is available for use in extension. 3) Positive variance for Act 2.3.8.2. in amount of $343,610. Commitments $31,546.44. Remaining amount will be used for procurement of MED and HP from borrowing 2015 4) Positive variance for Act 2.3.8.3 in $309,902. Commitments $800,47. Remaining amount will be used for procurement of MED and HP from borrowing 2015 5) Positive variance for Act 2.3.9 $83,903. Savings from previous Semester $4,442 and Semester 9 budgeted amount. TB drugs will be sent for QA testing in August 2015. Expenditures will be reflected in next PU_DR. 6) Positive variance for Act 2.4.11 $1,436 is savings. Delivery costs are included into price of goods 7) Positive variance for Act 1.2.4.1 $52,185 will be committed after order placement under Act 1.2.2.1 in October 2015 8) Positive variance for Act 1.2.4. $4,835. Commitments $11,963. Expected negative variance $7,128 is due to hazardous packing. The unspent amount on Category LF is $4 318 which consists of: 1) Positive variance for Act 2.2.4 $4,318 will be committed for [illegible] in [illegible] TB Center in August 2015
b. Disbursements to sub-recipients	305 412	397 738	[illegible]	Positive Variance in the total amount of $287 686 relates to: Unspent on category HR $6 593: relate to implementation of performance based scheme to top up salaries as per agreements with sub-recipients. The medical staff which did not achieve the established targets as per agreements with UNDP either are not paid or paid at reduced rate. $1605 to be disbursed to SR within direct payment process upon submission of SR reports on execution of services. Unspent amount on category LS $264 367: Unspent amount will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollment is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Auto disbursement to SR for LS activity was lost on cash balance at the beginning of the period. Unspent amount on category Over $2 319 and M&E $1 981 The funds allocated for OVER and M&E is disbursed to SR as per actual needs minus cash balance on SR accounts.	1 442 754,41	1 106 380	[illegible]	Positive Variance in the total amount of $ 336 534 relates to: Unspent on category HR $41 613: relate to implementation of performance based scheme to top up salaries as per agreements with sub-recepients. The medical staff which did not achieve the established targets as per agreements with UNDP either are not paid or paid at reduced rate. $1605 to be disbursed to SR within direct payment process upon submission of SR reports on execution of services. Unspent amount on category LS $284 799: Unspent amount will be used in the next implementation periods when all the scedulted PDR patients will be enrolled in treatments. Expected date of beginning of enrollement is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Also disburement to SR for LS activity was less on cash balance at the beginning of the period. Unspent amount on category Over $ 3 574 and M&E $ 4 309 The funds allocated for OVER and M&E is disbursed to SR as per actual needs.

	Budget for Reporting Period*	Actual Cash Outflow for Reporting Period	Variance	Reason for Variance	Cumulative Budget through period of Progress Update	Cumulative Actual Cash Outflow through period of Progress Update	Variance	Reason for Variance
Total pharmaceutical & health product expenditures vs. budget								
a. Medicines and pharmaceutical products	8 [illegible]	1 [illegible] 144	[illegible]	Positive Phase 2 [illegible] Negative Phase 1 [illegible] The main reason for the large variance in the current period is the budget included the full (24 month) treatment course for each patient, whereas based on discussions with GDF and GF it was agreed that in the current semester we would order drugs for the intensive phase, and place order for the remaining months at a later stage. This decision was based on two main factors: (1) it is hoped that UNDP could benefit from falling prices by ordering at a later stage, (2) concerns about the number of MDR patients, as there are countries in the region that have not been able to detect and therefore treat the expected number of MDR patients. a) $1,371,994,08 - commitments; b) $1,536,136,00 (NFM 2015) - ongoing procurement. GDF will provide the the quotation in September 2015. There is issue related to Quan TB. GDF with GF will visit KGZ in the end of August 2015 and provide final approval for procurement to proceed; c) $2,052,772,83 (NFM 2016) - waiting for GF approval for procurement. The GF advised to postpone this procurement until the Quan TB program is installed; d) Savings in the amount of $186,477,00 is related to the fact ordered quantity of drugs less than quantity specified in PSM plan. The variance by activity is broken down as follows: 1) Act. 2.3.1 negative variance in the amount of $ 1,217,670,00 (payments of commitments from previous FY 2013/2014) 2) Positive variance for Act. 2.3.1.1. in amount of $554,106. Commitments FY 2015 is $506,718.57. Expected savings in amount of $47,387 3) Positive variance for Act 2.3.1.2. in amount of $51,863 is due to cheaper price of Kanamycine. All planned quantity is committed. $51,863 is savings 4) Positive variance for Act 2.3.1.3 in amount of $100,332 is given without commitments in FY 2015. Commitments is $33,132.86. All planned quantities are committed. Expected savings $67,200 5) Positive variance for Act. 2.3.1.4 in the total amount of $ 1,873,750.28 (from borrowing/NFM 2015). Commitments $551,704 covering 1st shipment only, will be paid upon delivery of goods. Remaining $1,322,046.46 2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations. 6) Positive variance for Act. 2.3.1.6 in the total amount of $ 311,390 (from borrowing/NFM2015). Commitments $143,344 covering 1st shipment only. Remaining $168,046 (2nd and 3rd shipments) will be committed in October-November 2015, in order to obtain better prices as per GDF recommendations 7) Positive variance for Act. 2.3.1.8 in the total amount of $ 1,772,810 (from borrowing 2016) the contracting was postponed for Sept-Oct 2015 as per recommendations from GF and GDF. 8) Negative variance for ACT 2.3.2 in the amount of $22,422,00 is commitments of FY2013-2014.	14 [illegible]	8 109 [illegible]	[illegible]	The variance on category MED related to: 1) Act. 2.3.1 positive variance in the amount of $ 1,827,508.00 is committed for the procurement of 2nd line drugs. ($1,827,508) 2) Positive variance for Act. 2.3.1.1. in amount of $554,106. Commitments FY 2015 is $506,718.57. Expected savings in amount of $47,387 3) Positive variance for Act 2.3.1.2. in amount of $51,863 is due to cheaper price of Kanamycine. All planned quantity is committed. $51,863 is savings 4) Positive variance for Act 2.3.1.3 in amount of $100,332 is given without commitments in FY 2015. Commitments is $33,132.86. All planned quantities are commited. Expected savings $67,200 5) Positive variance for Act. 2.3.1.4 in the total amount of $ 1,873,750.28 (from borrowing/NFM 2015). Commitments $551,704 covering 1st shipment only, will be paid upon delivery of goods. Remaining $1,322,046.46 (2nd and 3rd shipments) will be commited in October-November 2015, in order to obtain better prices as per GDF recommendations 6) Positive variance for Act. 2.3.1.5 in the total amount of $ 311,390 (from borrowing/NFM2015). Commitments $143,344 covering 1st shipment only. Remaining $168,046 (2nd and 3rd shipments) will be commited in October-November 2015, in order to obtain better prices as per GDF recommendations 7) Positive variance for Act. 2.3.1.8 in the total amount of $ 1,772,810 (from borrowing 2016) the contracting was postponed for Sept-Oct 2015 as per recommendations from GF and GDF. 8) Positive variance for Act 2.3.2.1. in amount of $57,876. Commitments $55,768.47. Remaining amount $2,107.53 is savings 9) Positive variance for Act 2.3.2.2 in amount of $79,120 (from borrowing /NFM2015). Commitments $22,063. The contracting of remaining amount is postponed till November 2015 as per GDF and GF recommendations 10) Positive variance for Act 2.3.2.3 in amount of $275,722 (from borrowing 2016) the contracting was postponed to Sept-Oct as per recommendations from GF and GDF 11) Positive variance for Act 2.3.3 in the amount of $ 1,338.30 are commitments of FY2013/2014. 12) Positive variance for Act. 2.3.3.1 in amount of $6,313 (from borrowing / NFM 2015) will be committed in November 2015 13) Positive variance for Act 2.3.3.2. in amount of $4,241 (from borrowing 2016) will be committed in November 2015 14) Positive variance for Act. 2.3.4 in the total amount of $ 110,714.85 relates amount reprogrammed for 2015 with increase of patients number for lab testing including commitments in amount of $30 978. Remaining amounts are savings and are available for extension period. 15) Positive variance for Act 2.3.4.1 in the total amount of $ 71,000.00 will be used for procurement of goods in extension period. 16) The amount of $ 8,254.00 relates to the savings of Phase I.
b. Health products and health equipment	464 308	36 074	[illegible]	The variance on category HP related to: 1) Positive variance for Act 1.2.2 in amount of $21,833. Commitments $13,253. Expected variance $8,580 is savings 2) Positive variance for Act 1.2.2.1 in amount of $ 347,900 (borrowing 2016) under contracting. Will be committed in October 2015. 3) Positive variance for Act 1.2.3 in amount of $604,00. Commitments $517,00. Remaining amount $87,00 is savings 4) Positive variance for Act 2.2.3 in amount of $11,477. Commitments $7,500. Remaining variance $3,977 will be used for maitenance for MGIT machines 5) Positive variance for Act 2.2.8.1 in amount of $39,000. Commitments $18,787, remaining amount $20,213 is savings 6) Positive variance for Act 2.3.1.9 in amount of $9,531 (borrowing 2016) is related to procurement of 2nd line TB drugs from borrowing 2016 that is postponed till Sep-Oct 2015 7) Positive variance for Act 2.3.1.10 in amount of $ 2,286. Commitments $3,290. Expected negative variance is due to higher prices of syringes 8) Positive variance for Act 2.3.1.11 in amount of $10,708. Commitments $11,092. Expected negative variance $384,00 related to higher prices of syringes 9) Positive variance for Act 2.3.5 in amount of $5,465 is savings 10) Positive variance for Act 2.3.5.1 $3,978. Commitments $2,965. Expected positive variance in amount of $1,013 is savings 11) Positive variance for Act 2.3.5.2 $10,573. Commitments $7,470. Expected positive variance $3,103 is savings 12) Positive variance for Act 2.3.5.3 $3,710. Commitments $6,465. Expected negative variance is $2,755 is related to higher prices of goods(budgeted 0,7 USD and procured 1,04 USD) 13) Negative variance for Act 2.3.6 $8,011 is related to commitments of FY2014	1 537 [illegible]	1 046 118	[illegible]	The variance on category HP related to: 1) Positive variance for Act 1.2.2 in amount of $21,833. Commitments $13,253. Expected variance $8,580 is savings 2) Positive variance for Act 1.2.2.1 in amount of $ 347,900 (borrowing 2016) under contracting. Will be committed in October 2015. 3) Positive variance for Act 1.2.3 in amount of $604,00. Commitments $517,00. Remaining amount $87,00 is savings 4) Positive variance for Act 2.2.3 in amount of $11,477. Commitments $7,500. Remaining variance $3,977 will be used for maitenance for MGIT machines 5) Positive variance for Act 2.2.8.1 in amount of $39,000. Commitments $18,787, remaining amount $20,213 is savings 6) Positive variance for Act 2.3.1.9 in amount of $9,531 (borrowing 2016) is related to procurement of 2nd line TB drugs from borrowing 2016 that is postponed till Sep-Oct 2015 7) Positive variance for Act 2.3.1.10 in amount of $ 2,286. Commitments $3,290. Expected negative variance is due to higher prices of syringes 8) Positive variance for Act 2.3.1.11 in amount of $10,708. Commitments $11,092. Expected negative variance $384,00 related to higher prices of syringes 9) Positive variance for Act 2.3.5 in amount of $5,465 is savings 10) Positive variance for Act 2.3.5.1 $3,978. Commitments $2,965. Expected positive variance in amount of $1,013 is savings 11) Positive variance for Act 2.3.5.2 $10,573. Commitments $7,470. Expected positive variance $3,103 is savings 12) Positive variance for Act 2.3.5.3 $3,710. Commitments $6,465. Expected negative variance is $2,756 is related to higher prices of goods(budgeted 0,7 USD and procured 1,04 USD) 13) Negative variance for Act 2.3.6 $8,011 is related to commitments of FY2014 14) Positive variance in amount of $6,429 is savings from Phase I

On-going Progress Update and Disbursement Request

Annex to PU/DR - Sub-recipient financial information - FOR DISCRETIONARY COMPLETION, UPON THE SECRETARIAT'S REQUEST

Has the Secretariat requested the PR to complete this Annex for this reporting period?

Grant number:			
Progress Update - Reporting Period:		Cycle:	Number:
Progress Update - Period Covered:		Beginning Date:	End Date: 30 June 20
Progress Update - Number:			
Currency:			

Name of Entity		Date of Most Recent Disbursement to SR	Budget for Reporting Period*	Disbursed during Reporting Period*	Cumulative Budget through period of this Progress Update*	Cumulative Disbursed through period of this Progress Update*	Cumulative Actual Expenditure through period covered by this Progress Update PUDR8	Cumulative Actual Expenditure through period covered by this Progress Update	Cash balance at the end of the period covered by this Progress Update	Variance between Latest Cumulative Expenditure Reported and Cumulative Budget	PR's explanation of variance (1) between cumulative budget and cumulative expenditure and (2) between cumulative disbursement and cumulative expenditure (mandatory for amounts above $50,000 or equivalent and with more than 10% variance)
BATKEN OBLAST TB CENTER	005771	27-APR-2015	5 901	2 495	41 995	28 461	25 835	28 206	0,00	13 789	
BISHKEK CITY TB CENTER	005756	28-APR-2015	41 970	33 575	195 618	160 331	119 297	153 621	2 719,69	41 956	
CHUI OBLAST CENTER TI FIGHT TB	005753	27-APR-2015	29 121	29 091	126 011	118 773	87 333	115 816	60,55	10 195	The main reasons for variance between SR cumulative budget and SR cumulative disbursement / expenditure are due to Category HR -The reason of saving is that the UNDP uses performance based modality of incentive payments for governmental medical staff. While the programme budget is estimated assuming 100% performance and full amount of incentives to be paid, the actual payments to some of the staff, was less due to the below targets programme results.
ISSYK-KUL OBLAST TB CENTER	005774	13-MAY-2015	19 919	16 624	112 994	94 642	74 952	83 194	9 831,03	29 800	
JALALABAD OBLAST TB CENTER	005772	21-MAY-2015	32 220	32 220	151 555	146 982	110 840	143 982	-7,59	7 573	Furthermore, the variance occurred due to estimated budget was based on the assumption that all staff positions were filled. However, the number of staff is insufficient and due to high turnover this is an ongoing situation. This leads to savings.
MAIN DEPARTMENT OF PUNISHMENT EXECUTION	005775	22-JUN-2015	10 690	10 231	58 600	50 825	37 903	44 767	5 119,94	13 833	
NARYN OBLAST TB CENTER	005773	22-APR-2015	13 164	11 459	61 443	57 597	43 895	55 849	690,33	5 594	Category LS -Disbursements below the budgeted amounts led to savings. The reason is that some of the health care institutions have organized the specimens' collection and transportation from remote areas to the oblast levels laboratories. In this connection, there is no need to some of the patients to travel anymore and receive compensation of transportation cost from the grant fund.
NCP	005747	30-JUN-2015	64 008	38 308	262 932	209 719	155 077	195 618	9 022,99	67 314	
OSH OBLAST TB CENTER TO FIGHT TB	005754	15-MAY-2015	45 632	44 242	197 731	186 384	137 346	183 672	10,63	14 059	
TALAS OBLAST TB CENTER	005755	19-MAY-2015	12 420	12 506	57 504	52 515	39 340	51 174	333,75	6 330	
Other			253 366	-	176 375	-	-	-	0	176 375	Unspent amount will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollment is August 2016. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement.
TOTAL			528 412	230 752	1 442 756	1 106 229	831 818	1 055 899	27 781,66	392 855	

*TOTAL amount for these columns should reconcile with relevant amounts under "1b Disbursed to Sub Recipients" in Section 3A"
** Where the number of SRs is significant (over 10), SRs with small budgets (less than $50,000 cumulative each) do not need to be reported separately and the figures can be aggregated in a group called "Other Minor SRs"

On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	KGZ-S10-G09-T			
Progress Update - Reporting Period:	Cycle:	Semestre	Number:	2
Progress Update - Period Covered:	Beginning Date:	1/Jan/2015	End Date:	30/Jun/2015
Progress Update - Number:				

Section 4: Procurement and Supply Management

		Comments
1a. Have you updated the Price Quality Reporting (PQR) with the required information on the pharmaceuticals and health products received during the period covered by this PU/DR' (if applicable)? If health products procurement information has not been entered into the PQR, please explain why. ! For further guidance on PQR data entry, please refer to the guidelines.	Yes	All shipments of 2nd line TB drugs arrived in the reporting period were recorded in the PQR
2. Based on the most up-to-date stock situation, are there any risks of stockouts of key pharmaceuticals & health products at the central level in the next period of implementation? If yes, please comment.	No	All orders were placed in time and expect timely shipment, no stock out is expected within approved budget 1) 2nd line TB drugs for 35 patients procured within 1 Phase savings arrived in January 2015 - 3rd shipment; 2) 3rd shipment of 2nd line TB drugs for 520 patients (3 items) arrived in February 2015; 3) 3rd shipment of 2nd line TB drugs for 520 patients (PASc) arrived in May 2015; 4) 2nd shipments of 3rd line TB drugs for 14 patients (cohort 520 patients) arrived in March 2015; 5) 1st shipment of side effect drugs (520 patients) for 2014 arrived in February 2015; 6) 2nd shipment of side effect drugs (520 patients) for 2014 arrived in June 2015; 7) X-Ray films for 520 & 530 patients arrived in May 2015; 8) 2nd line TB drugs for 530 patients shipped in January 2015, with further shipments in October 2015 and July 2016; 9) 3rd line TB drugs for 14 patients (cohort 530 patients) arrived in March 2015; 10) 2nd line TB drugs (INJECTABLES) for 168 MDR TB patients arrived in March 2015; 11) 3rd line TB drugs for 14 patients (cohort 530 patients) arrived in March 2015; 12) NRL provided request for procurement of reagents and consumables for 2016 in June 2015. The procurement is ongoing.

3. Comment on additional issues related to the procurement and supply management of pharmaceuticals and health products

The Global Fund approved the revised WP&B in implementation letter number 4, dated 1 April 2015, and disbursed funds for the drugs orders for patient enrollment for the second half of 2015 on 2 June 2015. As UNDP is aware of the need to ensure adequate stocks of 2nd and 3rd line TB drugs, UNDP took the following actions:
1) Borrowed funds within UNDP (totaling $893,659), so that necessary orders for drugs could be placed;
(2) Liaised with GDF and GLC so that quotations in line with the WP&B, were ready for placing as soon as the WP&B was approved.
We highlight that following recommendations from GF and GDF, and in order to obtain better prices and shelf lives, 2nd and 3rd shipments under NFM borrowing 2015 and borrowing 2016 were re-scheduled to September - November 2015. These orders will be placed following the GDF /GLC mission on 24 August.
All other goods planned in frames of WP and Budget 2015 are procured and orders placed. No stockouts are expected.

On-going Progress Update and Disbursement Request

DISBURSEMENT REQUEST PERIOD

Grant number:	[illegible]			
Progress Update - Reporting Period:	Cycle:	[illegible]	Number:	8
Progress Update - Period Covered:	Beginning Date:	[illegible]	End Date:	30-Jun-2015
Progress Update - Number:				
Currency:	USD			

! A Statement of Sources and Uses of Funds (SSUF) is to be provided by PR along with the PUDR form

Section 5: Cash Reconciliation and Disbursement Request

A: CASH RECONCILIATION FOR PERIOD COVERED BY PROGRESS UPDATE

1.	Cash Balance: Beginning of period covered by Progress Update (line 10 from Cash Reconciliation section of the period covered by the previous Progress Update):		5 226 158
Add:	2. Cash received by the PR from the Global Fund during the period covered by this progress update:	6 772 226	
	3. Cash disbursed to third parties by the Global Fund on behalf of the PR during the period covered by this progress update:	50 000	
	4. Interest received on bank account	42 459	
	5. Revenue from income-generating activities (if applicable)		
	6. Other income, if applicable (e.g. income from disposal of fixed assets, tax refunds)	74	6 864 759
Less:	7. Total cash outflow during period covered by Progress Update (value entered in Section 3A "Total cash outflow"):	9 121 584	
	8. Net exchange rate gains/losses *(gains should be shown with a minus sign; losses should be shown with a plus sign)*	785	
	9. Reconciliation adjustments *(gains should be shown with a minus sign; losses should be shown with a plus sign)*	0	9 122 369
10.	Cash Balance: End of period covered by Progress Update:		3 968 548

Explanation of reconciliation adjustments (line 9)

! An explanation must be provided if there have been any adjustments.

On-going Progress Update and Disbursement Request

DISBURSEMENT REQUEST PERIOD

Grant number:	KEZ-S16-C06-T			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	6
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:				
Currency:	USD			

Section 5: Cash Reconciliation and Disbursement Request

B: DISBURSEMENT REQUEST

Total forecasted net cash expenditures by the Principal Recipient for the period immediately following the period covered by the Progress Update:

1. Period beginning date:		end date:		approved budget amount:		forecasted amount:	
2a. Cash buffer period (by default)							
(cash "buffer") beginning date:		end date:		approved budget amount:		forecasted amount:	
2b. Additional "buffer" (discretionary, select only if there is a prior agreement with the FPM) (1)							PR Total Forecast
							0
cash "buffer" agreed with FPM (2)	Select						
(cash "buffer") beginning date		end date:		approved budget amount:		forecasted amount:	

(1) Additional Cash buffer can be requested if the next PU/DR report will contain a completed EFR report or a completed Annex on SR financials, requested by the Secretariat, or if there are any additional GF-specific requirements that cannot be delivered within 45 days. An agreement in principal from the FPM should be obtained prior to requesting an additional cash buffer.

(2) When the additional (cash "buffer") period is 1 or 2 months, the approved budget and forecasted amounts should be calculated as prorated values for the period following the regular buffer period.

Please explain any significant variance (based on your judgment) between the forecasted amounts and the amounts as per approved budgets. Please specify the main factors and related amounts that are the major drivers of the variance. NB. Consider the following items when providing the analysis. - Expected timing of payments for any significant budgetary items, - Impact of existing cash balance at SR levels - Current confirmed commitments to be paid during disbursement request period - Current/expected unit prices compared to those in the budget - Change in quantities compared to budget - Exchange rates and inflation - Linkage between budget absorption and programmatic performance to-date. ! The forecast should include any existing commitments (eligible under this grant) as of the end of the reporting period and which are likely to be paid during the disbursement period	

3. Cash Balance: End of period covered by Progress Update (number 10 from PR Cash Reconciliation sheet):	9,368,548	
Less:		
4. Cash "in transit" disbursed to the PR:		
5. Cash "in transit" disbursed to third parties by the Global Fund on behalf of the PR		9,368,548
6. PR's Disbursement Request to the Global Fund for the period immediately following the period covered by the Progress Update, plus additional period (cash buffer):		0

7. Does the PR's Disbursement Request include funds for health product procurement? Yes

8. Exchange Rate (used to translate local currency into grant currency)

		Name of local currency, date and source of the exchange rate, and other comments (if appropriate)
- used to convert Opening Cash Balance		KGS
- used to convert Closing Cash Balance		KGS
- used to convert Total Cash Outflow for the Progress Update Period		KGS

On-going Progress Update and Disbursement Request

PROGRESS UPDATE PERIOD

Grant number:	[redacted]			
Progress Update - Reporting Period:	Cycle:	Semester	Number:	9
Progress Update - Period Covered:	Beginning Date:	1-Jan-2015	End Date:	30-Jun-2015
Progress Update - Number:	[redacted]			

Section 6: Overall Performance

A. PR's Overall Self-Evaluation of Grant Performance (including a summary of how financial performance is linked to programmatic achievements)

! The self-evaluation should be undertaken by taking into account programmatic achievements, financial performance and program issues in various functional areas (M&E, Finance, Procurement, and Program Management, including management of sub-recipients). See Guidelines for more detailed guidance.

Summary: During the reporting period the current TB grant has been approaching the time of closure in December 2015. To ensure the continuity of services during the period between end of the current TB grant and beginning of the following NFM funding, UNDP and GF signed the Agreement on extension of the program till 31 March 2016. Thus the money for the extended period and for covering of the gap in provision of drugs in the second part of 2015 has been borrowed from the country allocation to the NFM funding. This action led to the budget of UNDP increased at more than $ 6 million.

We highlight the disbursement of the GF funds per the Extension Agreement till March 2016, was made on 2 June 2015 and received by UNDP on 8 June 2015. This was too late to place the order for drugs for the second part of 2015. To avoid the inevitable outcome of an interruption of services caused by the late disbursement of the GF funds, UNDP borrowed funds from its internal resources to procure drugs and prevent the interruption of enrollment into treatment of MDR patients. These drugs have just arrived and will provide the universal access to treatment to all the DR-TB patients of 2015. Besides, the provision of these drugs will help to happen the new initiative of UNDP and implement the treatment of the PDR patients, which never existed before.

The TB grant continued with strong programme performance, reflected in the rating A1 for the period of 1.07.2014-31.12.2014. The following program period, which covers 1.01.2015-30.06.2015 was assessed against 5 impact\outcome and 8 coverage indicators. Three Top 10 indicators were achieved exceeding 100% and one Top 10 indicator- at 97%. Two not Top 10 indicators were achieved at 97%-99%, and two of them exceeded 100%.

The financial performance over the reporting period (Semester 9) is at the level of 26.4 % of the budgeted amount USD 8,033,549. In the current reporting period the amount USD 2,121,584 was spent; but the burn rate including commitments is 70%. The commitments are in the amount of USD 3,505,535 for procurement of 2nd line anti-TB drugs for MDR-TB patients, maintenance of laboratory equipment, X-ray films for MDR, XDR, PDR TB patients for 2015, Syringes and water for injections; PSM cost, storage and office expenses.

The cumulative financial performance is at the level of 74%, which is calculated as "budget vs. expenses, commitments and disbursements to SRs".

The cash balance at the end of period in amount $ 9,968,548 is largely committed:

1) 3,505,535 for procurement of 2nd line anti-TB drugs for MDR-TB patients, maintenance of laboratory equipment, X-ray films for MDR, XDR, PDR TB patients for 2015, Syringes and water for injections; PSM cost, storage and office expenses;

2) for 7% GMS for 2015 in amount of $ 871 632 to be charged next reporting period by UNDP upon payment of PO

3) ongoing procurement

- $1,536,136.00 (NFM 2015) - ongoing procurement. GDF will provide the quotation in September 2015. There is issue related to Quan TB. GDF with GF will visit KGZ in the end of August 2015 and provide final approval for procurement;
- $2,052,772.83 (NFM 2016) - waiting for GF approval for procurement. The GF advised to postpone this procurement until the Quan TB program is installed;
- PSM associated to ongoing procurement is $538 336.24

4) The rest funds allocated for PR and SR operational activities for next reporting period

Programmatic performance: Programmatic performance: During the reporting period, UNDP continued providing major support related to diagnostics and treatment of MDR TB. All the planned activities were implemented in a timely and comprehensive manner. The timely procurement and receipt of drugs allowed the scheduled enrollments into treatment to be fully respected. The new mechanisms of grant operation, which were implemented in the beginning of Phase 2, were successful: (1) reimbursement of transportation fee to MDR patients became available countrywide; (2) new modality of adherence support proved to be more attractive to patients compared with the previous one; (3) performance based scheme of motivations to medical staff resulted in improved program indicators; and (4) contracts with the outsource biochemistry labs ensured all patients to access free of charge tests for SLD side effects (4) The modified modality of procurement of the side effect drugs in blisters, which replaced the hospital packaging of drugs, used to be procured previously, have been continued and allowed the free access to the side effect drugs not only in the hospitals, but in the PHC level as well; (5) the procurement of the third line TB drugs, initiated by UNDP in 2013, have resulted in implementation of the treatment of the XDR TB, which did not exist before; (6) Due to delay of the GF disbursement, the additional TB drugs for 2015 have been procured using the UNDP money and have begun to arrive. This procurement will cover the gap in drug provision in the second part of 2015 and help implement the new initiative of UNDP to implement the PDR treatment, which did not exist before.

SRs management: During the reporting period UNDP continued to implement 6.4 % of the TB grant activities through Agreements with 10 SR organizations. They represent the Governmental sector and include the civilian and prison health institutions. According to the Agreements with UNDP, SRs continued to be engaged into educating and counseling patients, paying them transportation fee and monthly money allowances, transportation of specimens and paying the salary top-ups to the medical staff. In particular, during the reporting period, SRs conducted 100 transportations and delivered to NRL and OIRL 1962 samples for DST analysis. They also conducted 25 monitoring visits and visited 102 health facilities in the district and primary health care levels. Also, during the inpatient phase of treatment SRs counselled and trained 786 MDR\XDR\RR patients, provided motivation support to 1170 MDR\XDR\RR of them and paid top-up salaries to the medical staff .

In order to ensure the effective implementation of Agreements between UNDP and SRs, the PR has continued providing trainings on management of grant funds to the staff of the TB Centers and SSPE . UNDP also continued to provide the continuous technical support to them: on-site visits, on job coaching and consultations were on-going together with the efforts to maintain the improved system of SR to PR reporting. During the reporting period the PR has conducted 8 monitoring visits and visited 48 health facilities. Reports were developed and circulated among the affected institutions, NTP and MoH. SRs continue submitting the standard reports to UNDP and original financial documents on a quarterly basis. The results of their verification are used by the UNDP to make decisions on the volume of the next transfers. In addition, UNDP is in the process of implementing into the operational practice of the SRs of the TB grant of the new UNDP SR management tool.
In addition, in order to ensure timely identification of problems and implementation of corrective measures, UNDP monitors all the processes taking place at the level of SRs during the execution of the grant agreements.
Within the reporting period the majority of SRs have been demonstrating significant progress in quality and timely performance of activities, outlined in the Agreements with UNDP.
Thus, the SRs financial delivery during the reporting period was equal to 44 % (the disbursed amount was equal to $ 230,752.39 against $ 528,411.5 budgeted). UNDP signed contract with 10 SR organization for amount up to $275,045 for half a year activities; out of these work plan and budget; UNDP made disbursement in amount of $230,752.39; thus disbursement rate is 83.89%. Undistributed budget is allocated for LS; which will be used in the next implementation periods when all the scheduled PDR patients will be enrolled in treatments. Expected date of beginning of enrollement is August 2015. The delay of implementation is due to long time line of reprogramming and borrowing approval, which is link to drug order placement. Also disbursment to SR for LS activity was less on cash balance at the beginning of the period.

Procurement of health products and medicines: The Global Fund approved the revised WP&B in implementation letter number 4, dated 1 April 2015, and disbursed funds for the drugs orders for patient enrollment for the second half of 2015 on 2 June 2015. As UNDP is aware of the need to ensure adequate stocks of 2nd and 3rd line TB drugs, UNDP proactively managed the situation by taking the following actions:
1) Borrowed funds within UNDP (totaling $893,659), so that necessary orders for drugs could be placed;
(2) Liaised with GDF and GLC so that quotations in line with the WP&B, were ready for placing as soon as the WP&B was approved.
We highlight that following recommendations from GF and GDF, and in order to obtain better prices and shelf lives, 2nd and 3rd shipments under NFM borrowing 2015 and borrowing 2016 were.re-scheduled to September - November 2015. These orders will be placed following the GDF /GLC mission on 24 August.
All other goods planned in frames of WP and Budget 2015 are procured and orders placed. No stockouts are expected. The main reason for the large variance in the current period is the budget included the full (24 month) treatment course for each patient, whereas based on discussions with GDF and GF it was agreed that in the current semester we would order drugs for the intensive phase, and place order for the remaining months at a later stage. This decision was based on two main factors: (1) it is hoped that UNDP could benefit from falling prices by ordering at a later stage, (2) concerns about the number of MDR patients, as there are countries in the region that have not been able to detect and therefore treat the expected number of MDR patients.

Lessons learnt: (1) The introduction of the innovative mechanisms of the TB grant implementation helped to achieve the better program results and to meet the established targets.
(2) The National Health system weaknesses, like lacking electronic data base, staff demotivation and turn-over, the suboptimal drug management seriously affect the TB grant implementation
(3) The disproportion between the technical and financial support, which is available from the international stakeholders creates the difficult environment for the TB grant implementation . As international aid is mainly focused on providing technical assistance and the Government funds are not sufficient, all the needs of the TB program are expected to be covered by the TB grant of the GF. In the situation when the resources of the GF also limited, such strategy becomes risky and at present it is difficult to see that the Government will finance the essential TB control activities, not included into the NFM application.
(4) The performance based approach to providing incentives to the medical staff and patients is more efficient compared to the universal approach, which is not underpinned by strong performance management principles.

B. Planned Changes in the Program, if any

In the following grant period UNDP have plan to implement the treatment of the PDR cases which did not exist before. The drugs for these patients have been procured and have aready begun to arrive in country.
We also highlight that the delays in disbursement from GF may have detrimentally impacted the supply the drugs. This risk was mitigation through the use of UNDP internal resources.

C. External factors beyond the control of the Principal Recipient that have impacted or may impact the Program

(1) The grant operates in the extremely difficult environment, being exposed by the weaknesses of the National Health System from one side and the increasing pressure from the GF, requesting UNDP to not only to implement the grant, but to mobilise support to address the system weaknesses as well. UNDP has neither mandate, the financial nor human resources for being involved into the Health System reforms or regulation of the drug market. We believe, that success in prohibit of non- prescribed sale of the TB drugs, establishing the system for monitoring adverse effects of drugs together with the recording and reporting forms, decrease the length of hospitalization and revision of the National TB strategy, stand beyond the scope of this grant for the drug resistant TB, being implemented by UNDP. Recognizing that the improvement of the whole the National health system is essential, UNDP

revision of the National TB strategy, stand beyond the scope of this grant for the drug resistant TB being implemented by UNDP. Recognizing that the improvement of the whole the National health system is essential, UNDP believes, that it can be achieved rather by the joint efforts of all the national and international stakeholders, working in the TB control, than solely by the PR, addressing the only aspect of the TB control.

(2) The perspective for transition of the TB grant to the MoH in 2016 is uncertain. The income, demographic, economic, and financial and the TB burden reality makes it difficult to the country in 2016 to become able to assume the responsibility for all the services, currently supported by UNDP and Project HOPE.

3) There is lack of continuity between the ending TB grant and the replacing NFM. This fact may result in the interruption in provision of the essential TB services, which were implemented in the time of UNDP PRship. The access to the beneficiaries may suffer as well.

(4) Transfer of responsibility for procurement of the prequalified first line TB drugs from project HOPE to the inexperienced National TB center poses the risk of delays and interruptions in future drug provision.

(5) The programs of the international stakeholders, who exited the country without ensuring of the further sustainability, seriously damage the life saving activities of the NTP. In particular, in 2013 the KFW donated to NTP the sophisticated laboratory without ensuring allocation of the Governmental funds into the MoH budget for its post warrantee maintenance. Looking for the source of finances to maintenance of this laboratory in 2016-2017, NTP has allocated more than $500,000 into the budget of the NFM application to the GF funding in 2016-2017. This action resulted in the removal of the limited GF funds from the life saving activities to finance the maintenance of machines, ventilation and procurement of consumables, which according to the Agreement between MoH and KFW should have been financed by the Government

(6) The new National Drug Policy, which states that all the drugs, procured using grant funds, should be registered in the country, may affect the budget and procurement timelines of the GF TB grant

(7) The introduction of the short MDR schemes, offered by the international expert during the process of preparation of the NFM application for 2016-2017, include the use of the off-label medicine Cfz. The off label status of this drug is consequent that it can be procured, respecting the special pre-conditions. The nature of these preconditions does not allow the country to fulfil them. In the event if during the process of preparation of the NFM application, this issue will not be resolved with the company producer, the procurement of drugs in the framework of the NFM may become extremely problematic. This issue requires negotiation in the level of WHO, STOP TB Partnership and cannot be resolved in the level of the program implementation. (8) Kyrgyzstan renounced a bilateral agreement with the United States signed in 1993, which provided the legal framework for US assistance in the country. The decision will come into effect on August 20 and will halt the operations of the US Agency for International Development (USAID) in the country. Possibly, that the operation of the health projects, including those, providing the technical assistance to the TB program and financed by USAID, will be affected by this decision.

On-going Progress Update and Disbursement Request

GENERAL GRANT INFORMATION

Country:	Kyrgyz Republic
Disease:	Tuberculosis
Grant number:	**KGZ-S10-G08-T**
Principal Recipient:	UNDP Kyrgyzstan
Program Start Date:	1-Jan-2011
Currency:	USD

PROGRESS UPDATE PERIOD

Progress Update - Reporting Period:	**Cycle:**	Semester	**Number:**	9
Progress Update - Period Covered:	**Beginning Date:**	1-Jan-2015	**End Date:**	30-Jun-2015
Progress Update - Number:	9			

DISBURSEMENT REQUEST PERIOD

Disbursement Request - Disbursement Period:	**Cycle:**	Annual	**Number:**	
Disbursement Request - Period Covered:	**Beginning Date:**		**End Date:**	
Disbursement Request - Number:				

Section 7: Cash Request and Authorization

A: CASH REQUEST

On behalf of the PR, the undersigned hereby requests the Global Fund to disburse funds under the above-referenced Grant Agreement as follows:

1. Cash amount requested from the Global Fund (from line 14 – "PR's Disbursement Request" in the tab "PR_Disbursement Request_4B"), in grant currency: 0

2. Amount requested in words (in: USD): _____

B: AUTHORIZATION

The undersigned acknowledges that: (i) all the information (programmatic, financial, or otherwise) provided in this Progress Update and Disbursement Request is complete and accurate; (ii) funds disbursed in accordance with this request shall be deposited in the bank account specified in block 9 of the face sheet of the Grant Agreement unless otherwise specified herein; and (iii) funds disbursed under the Grant Agreement shall be used in accordance with the Grant Agreement.

Signed on behalf of the Principal Recipient:
(signature of Authorized Designated Representative) _____ 13/8/15

UNDP CO
ARR
ERKINBEK [illegible]KOV

Name: _____

Title: _____

Date and Place: _____

NB: Please ensure that section 7C Bank Details on the following page is completed, if (1) this is a split disbursement (i.e. disbursement going to more than one recipient) or (2) if there have been changes to the bank details since the previous disbursement.