

ANNEX A to the PROGRAM GRANT AGREEMENT

Program Implementation Abstract

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| Country: | West Bank and Gaza |
| Program Title: | Quality DOTS implementation in the West Bank and in the Gaza Strip |
| Grant Number: | PSE-809-G02-T |
| Disease: | Tuberculosis |
| Principal Recipient: | United Nations Development Programme (UNDP) |

A. PROGRAM DESCRIPTION

1. Background and Summary:

The oPt is a lower middle income territory composed of two separate geographical areas, the West Bank and the Gaza Strip, a narrow land strip with one of the highest population densities in the world. Despite high risk factors for the transmission of tuberculosis (TB) as a result of the ongoing conflict, the geographical isolation of the Gaza strip and the restriction policy on the movement of persons and goods in the West Bank, incidence rate remains at a low level of 0.92 (National Strategic Plan 2010-2014), comparable to neighboring countries such as Jordan and Israel. However, the extent of tuberculosis care is still limited, and thus case detection rate is considerably low.

With the support of the Global Fund, the Program will address a number of gaps in the existing efforts on tuberculosis care in the West Bank and Gaza Strip in a complementary and comprehensive way, strengthening capacities at the national level to better address TB, scaling up TB care through implementing the Stop TB Strategy in the Palestinian Territories, and developing a national plan of action.

2. Goal:

To reduce the burden and maintain a low transmission level of TB in the West Bank and Gaza, particularly among vulnerable groups including the disadvantaged, refugees and Bedouin communities by 2015 in line with the Millennium Development Goals and the Stop TB Partnership targets.

3. Target Group/Beneficiaries:

- Bedouin populations;
- Refugees;
- Migrants; and
- Socially and economically disadvantaged groups.

4. Strategies:

- Strengthen program management capacity in West Bank and the Gaza Strip;

- Pursue high quality DOTS (Directly Observed Treatment, Short-course) expansion and enhancement;
- Address major challenges such as access to services for refugees and Bedouin populations and contact tracing; and
- Enable and promote research.

5. Planned Activities:

- Monitor TB strategic plan with a plan of action to be updated yearly;
- Conduct regular supervision visits in coordination with implementing partners to health centers in the West Bank and the Gaza Strip;
- Perform cross-validation of TB notification data with other sources of TB data (inventory study);
- Improve the TB recording and reporting system;
- Pursue high quality DOTS among Bedouin populations and refugees;
- Provide TB drugs and diagnosis;
- Conduct External Quality Assurance;
- Ensure guidelines referring to TB medical care, TB laboratory and TB contact investigation are adhered to; and
- Operational research: TB data analysis on social determinants of TB and on geographical origin and main population groups.

B. CONDITIONS PRECEDENT TO DISBURSEMENT

1. Condition(s) Precedent to Second Disbursement under Phase 2 (Terminal Date as stated in block 6A of the Face Sheet)

The second disbursement of Grant funds to the Principal Recipient after the date of signature of this Amendment is subject to the satisfaction of each of the following conditions:

a. the delivery by the Principal Recipient to the Global Fund of an updated plan for monitoring and evaluating Program activities (the “Updated M&E Plan”) that incorporates the recommendations made by Program stakeholders;

b. the delivery by the Principal Recipient to the Global Fund of a revised budget for the period beginning with the Program Starting Date and ending with the Program Ending Date (the “Revised Program Budget”) if the amendments incorporated into the Updated M&E Plan necessitate amendments to the budget that was approved by the Global Fund as of the effective date of this Amendment; and

c. the written approval of the Global Fund of the Updated M&E Plan and Revised Program Budget (the latter only being applicable if condition b. of this sub-section is applicable).

C. SPECIAL TERMS AND CONDITIONS FOR THIS AMENDMENT

1. The disbursement by the Global Fund to the Principal Recipient to finance the procurement of Health Products (as defined in Article 18 of the Standard Terms and Conditions of this Amendment), is subject to the delivery by the Principal Recipient to the Global Fund, in form and substance satisfactory to the Global Fund, of the revised

procurement plan for the procurement, use and supply management of the Health Products for the Program as described in subsection (b) of Article 18 of the Standard Terms and Conditions of this Amendment (the "PSM Plan"). The PSM Plan shall include a finalized forecast of the Health Products to be procured under the Grant which is consistent with the workplan and budget and with all assumptions used to determine the quantities clearly documented, including, where applicable, the link to the targets in the Performance Framework.

2. Within six months after the date of signature of this Amendment, the Principal Recipient shall deliver to the Global Fund documentation, in form and substance satisfactory to the Global Fund, demonstrating that it has established a system to validate the information captured in the Management and Information System (MIS), including, without limitation, monitoring of stock levels of all Health Products, and to increase the current reporting rate and consistency (including data at the level of the Sub-recipients).

3. The parties agree that the requirement in Article 14 of the Standard Terms and Conditions of this Amendment that the Principal Recipient provide, not later than 90 days after this Amendment enters into force, a plan for monitoring the Program, is replaced with the condition for second disbursement in Section B.1 above.

4. The disbursement to, or use by, the Principal Recipient of Grant funds for the financing of training activities under the Program is subject to the satisfaction of each of the following conditions:

- a. the delivery by the Principal Recipient to the Global Fund, in form and substance satisfactory to the Global Fund, of a detailed training plan and budget covering all trainings that the Principal Recipient proposes to conduct (the "Detailed Training Plan and Budget"); and
- b. the written approval by the Global Fund of the Detailed Training Plan and Budget.

5. The disbursement by the Global Fund to the Principal Recipient of Grant funds to finance activities relating to the Inventory Study is subject to the delivery by the Principal Recipient to the Global Fund of an itemized budget, in form and substance satisfactory to the Global Fund, with respect to this activity.

6. The Principal Recipient acknowledges and understands that the Global Fund has entered into this Amendment with the Principal Recipient in reliance on the representation by the UN Theme Group on HIV/AIDS for the Occupied Palestinian Territory that the funds provided under this Amendment do not constitute more than 65% of the funds for the national tuberculosis program in West Bank and Gaza. If the Principal Recipient becomes aware that the funds provided under this Amendment are in fact or are anticipated to be materially higher than this amount, the Principal Recipient shall promptly notify the Global Fund. Upon request by the Global Fund from time to time, the Principal Recipient shall provide documentation, in form and substance satisfactory to the Global Fund, demonstrating compliance with this condition.

D. FORMS APPLICABLE TO THIS AMENDMENT

For purposes of Article 13b(1) of the Standard Terms and Conditions of this Amendment entitled “Quarterly Reports,” the Principal Recipient shall use the “On-going Progress Update and Disbursement Request”, available from the Global Fund upon request.

E. ANTICIPATED DISBURSEMENT SCHEDULE

For the purposes of Article 6a of the Standard Terms and Conditions of this Amendment, the anticipated disbursement schedule indicated in the Performance Framework attached to this Annex A.

F. PROGRAM BUDGET

The Summary Budget attached to this Annex A set forth anticipated expenditures for the Program term.

G. PERFORMANCE FRAMEWORK

The Performance Frameworks attached to this Annex A set forth the main objectives of the Program, key indicators, intended results, targets and reporting periods of the Program.

H. GLOBAL FUND STAGGERED FUNDING COMMITMENT POLICY

At the time of signing this Amendment, the Global Fund shall set aside (“commit”) funds up to the amount of the First Commitment indicated in block 7 of the face sheet, subject to terms and conditions of this Amendment. Second and Third Commitments of Grant funds, up to the amounts indicated in block 7 of the face sheet, may be committed by the Global Fund under this Amendment in one-year increments (or, if the period of the Program covered by the Commitment is less than one year, the duration of that period). Any Second or Third Commitment shall be undertaken in a manner consistent with the Global Fund’s discretion and authority as described in Article 6 of this Amendment, taking into account, among other things, the availability of Global Fund funding and the reasonable cash flow needs of the Principal Recipient. If a Second or Third Commitment is made, it will be communicated to the Principal Recipient through written notice from the Global Fund. The Principal Recipient acknowledges and understands that a Second or Third Commitment may not be released in full or part by the Global Fund in the event of non-compliance by the Principal Recipient with the terms of this Amendment, based on the sole judgment of the Global Fund.