

Grant Confirmation

1. This document, dated as of the date of last signature below, is issued under, and constitutes a **Grant Confirmation** as referred to in, the Framework Agreement (effective as of 9 June 2015), as amended and supplemented from time to time (the "Framework Agreement") between the **Global Fund to Fight AIDS, Tuberculosis and Malaria** (the "Global Fund") and the **Lao People's Democratic Republic** (the "Grantee") for the Program described herein.

2. This Grant Confirmation supplements, forms part of, and is subject to the Framework Agreement. Each capitalized term used but not defined in this Grant Confirmation shall have the meaning ascribed to such term in the Framework Agreement (including the Global Fund Grant Regulations (2014)). In the event of any inconsistency between this Grant Confirmation and the Framework Agreement (including the Global Fund Grant Regulations (2014)), the provision of this Grant Confirmation shall govern.

3. The Global Fund and the Grantee hereby confirm the following:

3.1	Host Country or Region:	Lao People's Democratic Republic
3.2	(Disease) Component:	Tuberculosis
3.3	Program Title:	The National Tuberculosis Control Programme
3.4	Grant Name:	LAO-T-GFMOH
3.5	GA Number:	717
3.6	Grant Funds:	Up to the amount of US\$7,062,348.00 (Seven Million Sixty-Two Thousand Three Hundred and Forty-Eight US Dollars) or its equivalent in other currencies.
3.7	Implementation Period:	From 01 July 2015 to 31 December 2017

3.8	The Principal Recipient Nominated:	<p>Ministry of Health of the Lao People's Democratic Republic Simuan Road, Vientiane Lao People's Democratic Republic</p> <p>Attention: Dr. Bounlay Phommasack Director General of the Disease Control</p> <p>Telephone: +856 21 24 29 80 Facsimile: +856 21 24 29 81 Email: bphommasack@gmail.com</p>
3.9	Fiscal Year of the Principal Recipient:	01 October to 30 September
3.10	LFA:	<p>PricewaterhouseCoopers (Lao) Company Limited 4th Floor, ANZ Building 33 Lane Xang Avenue, PO Box 7003 Vientiane Capital, Lao PDR.</p> <p>Attention: Mr. Patrick Bergman</p> <p>Telephone: +856-21 222 718 Facsimile: +856-21 222 723 Email: patrick.bergman@la.pwc.com</p>
3.11	Global Fund (Notices information for this Grant Confirmation):	<p>The Global Fund to Fight AIDS, Tuberculosis and Malaria Chemin de Blandonnet 8, 1214 Vernier Geneva, Switzerland</p> <p>Attention: Mr. Luca Occhini Regional Manager, South East Asia Team Grant Management Division</p> <p>Telephone: +41 58 791 1700 Facsimile: +41 58 791 1701 Email: luca.occhini@theglobalfund.org</p>

4. The details of the Program, the Program Activities and related implementation arrangements are set forth in Schedule I (Integrated Grant Description). The Grantee acting through the Principal Recipient shall implement the Program in accordance with the detailed Program budget agreed with the Global Fund and adhere to the provisions of the "Global Fund Guidelines for Grant Budgeting and Annual Financial Reporting" (2014, as amended from time to time), available at the Global Fund's Internet site, throughout the Implementation Period.
5. The Global Fund and the Grantee further agree that the following requirements are applicable to this Grant Confirmation:
 - 5.1. Prior to the use of Grant Funds by the Principal Recipient to finance the procurement of second-line anti-tuberculosis drugs, the Principal Recipient acting on behalf of the Grantee

shall make available to the Global Fund, in form and substance satisfactory to the Global Fund, (1) a current detailed 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 medicines to be procured for the MDR-TB program reflecting the Grantee's finalized forecast for the grant implementation period covered by the Grant Agreement) and (2) the national guidelines for programmatic management of MDR-TB, both of which have been developed in collaboration with a technical partner acceptable to the Global Fund.

- 5.2. The Principal Recipient acting on behalf the Grantee shall cooperate with the Green Light Committee (the "GLC") in the efforts of the GLC to provide technical support and assistance to the Grantee with respect to monitoring and the scaling-up of MDR-TB-related services provided in-country. Accordingly, the Grantee acting through 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.
 - 5.3. No later than 30 days prior to a scheduled cash transfer that includes funds for the procurement of MDR-TB medicines, the Principal Recipient acting on behalf of the Grantee shall deliver to the Global Fund a pro forma invoice issued by the designated Procurement Agent of the Global Drug Facility, as delegated by the Green Light Committee Initiative.
 - 5.4. In accordance with the Global Fund Board Decision Point GF/B28/DP4, the Grantee acknowledges and agrees that the commitment and disbursement by the Global Fund of 15% of Lao People's Democratic Republic's aggregate allocation of USD 38,338,572 for the 2014-2016 allocation period, which is equal to USD 5,750,786 is subject to the Global Fund's satisfaction with Lao People's Democratic Republic's compliance with the Global Fund's policies relating to counterpart financing.
 - 5.5. The Grantee acknowledges and agrees that any budgetary adjustments made in accordance with the Global Fund Guidelines for Grant Budgeting and Annual Financial Reporting (August 2014, as amended from time to time) shall be managed in accordance with the principles set forth in written management actions that will be provided from time to time by the Global Fund to the Grantee.
6. In addition to the representations set forth in the Framework Agreement (including the Global Fund Grant Regulations (2014)), the Grantee acting through the Principal Recipient hereby makes

additional representations as follows:

6.1. The Grantee and the Principal Recipient acting on behalf of the Grantee have all the necessary power and/or have been duly authorised by or obtained all necessary consents, actions, approval and authorisations to execute and deliver this Grant Confirmation and to perform all the obligations of the Grantee under this Grant Confirmation. The execution, delivery and performance by the Grantee or the Principal Recipient acting on behalf of the Grantee of this Grant Confirmation do not violate or conflict with any applicable law, any provision of its constitutional documents, any order or judgment of any court or any competent authority, or any contractual restriction binding on or affecting the Grantee or the Principal Recipient.

(The signature page follows.)

IN WITNESS WHEREOF, the Global Fund and the Grantee acting through the Principal Recipient have caused this Grant Confirmation to be executed and delivered by their respective duly authorized representatives as of the date of last signature below.

The Global Fund to Fight AIDS, Tuberculosis and Malaria

**Lao People's Democratic Republic
acting through
the Ministry of Health**

By: _____

Name: Dr. Mark Dybul
Title: Executive Director
Date: 12.06.2015

By: _____

Name: Prof. Dr. Eksavang Vongvichit
Title: Minister of Health, LAO PDR
Date: 12.06.2015

Acknowledged by

By: _____

Name: Mr. Ly Tou Bouapao
Title: Chair of the Country Coordinating
Mechanism for Lao People's
Democratic Republic
Date:

By: _____

Name: Dr. Soulany Chansy
Title: Civil Society Representative of the
Country Coordinating Mechanism
for Lao People's Democratic
Republic
Date:

**SCHEDULE 1
INTEGRATED GRANT DESCRIPTION**

Country:	Lao People's Democratic Republic
Program Title:	The National Tuberculosis Control Programme
Grant Name:	LAO-T-GFMOH
Grant Number:	717
Disease:	Tuberculosis
Principal Recipient:	Ministry of Health of the Lao People's Democratic Republic

A. PROGRAM DESCRIPTION

1. Background and Summary:

The Global Fund grant is supporting the Lao PDR National Tuberculosis Strategic Plan 2015-2019 and beyond, which aims to detect and treat as many cases of TB as possible, as early as possible, especially reaching the missed cases among key affect populations. The set target is to increase case detection from 30% to 70% (by 2019).

The National TB program (NTP) has integrated TB services in 5 central, 16 provincial and 140 district hospitals and 98% of health centers, and in 2005 the program achieved full DOTs coverage. TB control is integrated in Primary Health Care (PHC), and case finding is conducted by physicians in out-patient departments (OPDs) and hospital departments. This has successfully contributed to reducing TB incidence by more than half from 2009 to 2012 (from 492 to 204/100,000) and the mortality rate due to TB has also decreased from 41 to 11/100,000. Lao PDR has reached the MDG 6 target by reducing TB prevalence in half from 1490/100,000 in 1990 to 514/100,000 in 2012.

There are 158 microscopy laboratories in Laos, and 35,623 presumptive TB patients were examined in 2013 (5.4 per 1000 population). Nevertheless, more than half of TB symptomatic patients visit private pharmacists or traditional healers and only small proportions seek care at health centers or from village volunteers. The referral level of TB suspects is very low both at the public and private health facility level. Of the nearly 900 health centers, only 25% of all presumptive TB patients are examined by microscopy, and each Health Centre refers on average only one TB suspect per month, and each district laboratory examines less than one patient per working day. TB continues to be under diagnosed in children (76 TB cases in children were registered in 2013, less than 2% of all TB cases). Based on the national TB prevalence survey 2010-2011, the TB prevalence rate was found to be two times higher than previous WHO estimates.

In 2010, the first MDR-TB patient was identified and thus NTP included MDR management as of July 2011. 30 MDR-TB patients received SLD treatment in an MDR treatment center of Setthathirath central hospital in Vientiane, which included 19 patients receiving short 9 month treatment under operational research protocol. Nevertheless, there are significant delays in diagnosis and enrolment of MDR-TB patients, resulting in high death rates before initiating second line drug (SLD) treatment.

NTP has incorporated alternate diagnostic strategies into the TB control program, as the National TB Reference laboratory (NRL) and 2 regional laboratories started culture in 2010 and the Centre of Infectology Christophe Merieux of Laos performs Line Probe Assay (LPA) since 2010. Three GeneXpert machines were operational as of 2013, testing all symptomatic presumptive TB patients in Mahosot Central Hospitals. This alone yielded 27% additional bacteriology positive TB cases compared to microscopy. NTP and the national HIV program (CHAS) have conducted joint planning for TB-HIV collaborative activities in order to increase TB detection in HIV positive patients.

The first external TB review, completed in January 2013, recommended ensuring universal access to quality TB control services including children, smear-negative TB, TB-HIV, MDR-TB and other vulnerable groups by: (i) strengthening DOTS, using CXR and GeneXpert; (ii) strengthening the TB laboratory network for microscopy, culture and drug sensitivity testing, introducing Xpert and starting drug resistance surveillance; and (iii) improving linkages with public and private health services and strengthening human resources, program management and support to patients.

In response to these recommendations, the TB grant plans to increase TB detection by improved core TB control prevention and care in public and private health facilities, improving diagnosis and treatment in primary health care, involving all physicians and health care providers, using sensitive screening and diagnostics tools, addressing TB in household contacts, PLWH, mothers and children, elderly and implementing additional active case finding (ACF) in priority groups.

The Global Fund has been the main source of funding of the TB program since 2003 through successive grants (rounds 2, 4, 7 and 10). WHO has provided regular technical assistance (TA) since 2003 and additional ad hoc TA as required for laboratory, drug management, TB-HIV, MDR, infection control. Damien Foundation Belgium provides additional technical assistance and program support in developing technical guidelines, management of MDR program, procurement of drugs and medical supplies and program management and supervision. The Korean Institute of Tuberculosis (KIT) is supporting development and validation of culture and DST and the Centre of Infectology Christophe Merieux of Laos continues to identify MDR cases through LPA. Soutien Pneumologique International (SPI) has launched the Practical Approach to Lunch Health (PAL). USAID has supported field operations for ACF among household contacts in high prevalence areas. USAID will also fund a post in Lao WHO country office to improve coordination of TB control activities. JATA has supported a joint research with NTC on improving quality assurance of chest X-ray at province and district level.

2. Goal:

To reduce the burden of TB in Lao PDR and to reach the targets of WHO Post-2015 Global Tuberculosis Strategy.

3. Target Group/Beneficiaries:

- All tuberculosis patients including drug resistant TB patients;
- Contacts of tuberculosis patients including drug resistant TB patients;
- People living with HIV/AIDS (PLHIV);
- Affected population in urban in rural areas;
- Ethnic minority groups;
- High risk groups;
- Children with tuberculosis;

- Medical and laboratory health personnel at central, municipality/province, district and health center levels;
- Private practitioners; and
- Target groups of community TB control activities conducted by partners (including remote areas, children in schools, peer educators, village health workers and targeted populations in villages).

4. **Strategies:**

TB control strategies aim to increase case detection of tuberculosis and universal access to TB control for all including for children, smear negative TB, PLWH, MDR-TB and other vulnerable groups (prisons) through:

- Universal access to TB diagnosis and treatment through quality assured TB laboratory network;
- Treatment with quality TB drugs (first line and second line drugs) free of charge for the TB patients;
- Improved patient support especially for DR-TB cases for high compliance to treatment;
- Increasing TB case detection through:
 - use of more sensitive diagnostics tools: LED microscopy, GeneXpert, culture, chest X-ray;
 - active contact tracing of known TB patients
 - scale up active case finding among prioritized high risk groups and mobile active case finding.
 - scale up use of GeneXpert for routine diagnosis
 - identification and referral of persons with TB symptoms by all health care providers including hospital outpatient departments and other services;
 - increased TB awareness in population; and
 - increased access to more vulnerable groups of the population including children.
- Strengthening TB laboratory network: microscopy, culture, DST, Xpert;
- Strengthening TB program links with other public and private health services like outpatient departments, RMNCH, National HIV-AIDS program, pediatric, PHC, Centre for Information and Education for Health;
- Scaling-up Programmatic Management of Drug resistant TB (PMDT) through examination of all retreatment TB cases, MDR contacts, PLHIV and other patients defined in National MDR guidelines;
- Scaling-up HIV testing for all TB patients and collaboration with the national Aids program (CHAS) for implementation of early ART for all TB-HIV patients and the 3 "Is" among PLHIV;
- Improving diagnosis and treatment of TB in children through training/retraining on child TB;
- Improving infection control; administration, environmental and personnel protection;
- Scale-up NGO/CBOs activities in villages to assist in identifying at risk populations and groups, understanding barriers to access TB services, expand community based interventions in collaboration with health centers and local authorities to increase TB case detection and referrals;
- Strengthening management capacity for M&E and finance;
- Evaluating and scaling-up Practical Approach on Lung Diseases (PAL) to involve hospitals in TB case detection through improved diagnosis and management of patients with lung diseases;
- Involving private health care providers through the PSI private clinics and pharmacies franchising Sun Quality Health (SQH) franchising program; and
- Conduct operational research for surveillance and interventions e.g.: Provider behaviour change communication (PBCC) to uncover individual provide needs, motivation and barriers to identify and refer TB presumptive patients for diagnosis

5. Planned Activities:

Module 1: TB care and prevention. Support TB control in health facilities PHC, increasing access to KAPs from villages and communities, earlier TB diagnosis and treatment through ACF and systematic screening of household TB contacts, scaling up GeneXpert in all provincial hospitals and scaling up PAL, engaging private sector providers to increase TB cases detection, capacity building for laboratories through Technical Assistance to improve quality assurance microscopy and culture and drug sensitivity testing and Xpert testing.

Module 2: TB-HIV. Strengthen TB/HIV collaborative activities through joint planning and monitoring meetings, site supervisions, training staff, procurement of rapid HIV tests, in order to achieve full coverage of HIV testing for all TB patients, treating all TB-HIV patients with ART and scaling up 3I's: Intensified TB screening, infection control and Isoniazid preventative therapy (IPT) to all PLWH.

Module 3: MDR-TB. To use rapid Xpert testing for all suspected DR-TB patients, strengthen NTP network for ambulatory treatment of DR-TB patients, improve patient and living support for all DR-TB patients and increase capacity at provincial, district and HC level for DR-TB case management. Training of physicians and screening of DMR contacts and follow-up of cued patients. Procure SLDs and implement shorter (9Mo) treatment regimen.

Module 4: Program management. Maintain and strengthen management capacity of the national TB program in planning, implementing, monitoring and supervising the integrated TB control services in all provinces and districts and to begin active case finding campaigns among KAPs.

B. PERFORMANCE FRAMEWORK

Please see attached.

C. SUMMARY BUDGET

Please see attached.