



Progress Update on Global Fund GC7 Grant Reprioritization and Revision

LAO-C-MOH for HANSA2 Project

July 2, 2025

Grant Reprioritization and Revision Notification from the GF

Received Grant Reprioritization and Revision Notification from the GF on May 2, 2025.



Geneva, 2025-04-24

Dr. Bounserth Keoprasith
Director General of the Department of Planning and Finance
Ministry of Health of the Lao People's Democratic Republic
Vientiane
Lao (Peoples Democratic Republic)

Subject: Adjustments to HIV/AIDS & Tuberculosis Grant
Implementation Period 2024-01-01 to 2026-12-31
Principal Recipient: Ministry of Health of the Lao People's Democratic Republic

Dear Dr. Keoprasith

As you know, the external financing landscape for global health programs is undergoing significant and rapid change. These developments have resulted in disruptions to health services and volatility across the global health eco-system, and have substantial implications for the Global Fund partnership. There is significant uncertainty about ongoing support for bilateral and multilateral health programs, including the Global Fund.

While the full implications are still unfolding, we remain committed to our collective mission to end AIDS, tuberculosis and malaria. Since the disruptions began, our primary objective has been on ensuring the continuity of vital health programs. We have been closely monitoring the situation and continue to engage closely with countries and partners to assess the impact of the changes. Now we are increasingly focused on how best to support countries in reassessing and reprioritizing their Global Fund-financed investments to reflect changed circumstances, while safeguarding core, life-saving services. The Global Fund Board will discuss our overall approach to reprioritization and reinvestment at its meeting in May. The Secretariat will communicate relevant outcomes of these discussions in due course.

In the interim, and in light of the continued uncertainty, we are introducing a set of measures to adjust implementation plans for current grants. These measures are intended to ensure continuity of essential programming while deferring some areas of investment in order to maximize available funding for a broader reprioritization and reinvestment exercise to follow, and, in many ways, align with the efforts your country has already been making to safeguard its health response. The measures are set out below:



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1) The implementation of certain investments will be deferred, until further notice. Your Global Fund Country Team will reach out to you to provide further guidance and to work together to finalize the specific activities to be paused. While the items subject to deferral will reflect specific country circumstances, illustrative areas of investment to be paused include:

- a. Capital investments;
- b. Purchase of new vehicles and IT, lab and other equipment;
- c. Certain trainings, conferences and publications;
- d. Surveys, studies, assessments and reviews;
- e. Certain program management elements; and
- f. Where appropriate, certain less time-critical or essential elements of disease-specific activities.

Note: this measure does not apply to COVID-19 Response Mechanism (C19RM)-related activities. Currently approved C19RM-related activities are expected to continue given the need to maintain the pace of execution within the C19RM implementation period;

2) The reinvestment of foreign exchange gains is now paused for the remainder of the C19RM and grant implementation period; and


3) Prior Global Fund approval is now required for both material and non-material budget revisions (as defined in the Global Fund Guidelines for Grant Budgeting and C19RM Guidelines), until further notice.

Expenditures inconsistent with the above guidance, including any expenditure on paused activities, once finalized, may be considered non-compliant in line with the Global Fund Guidelines for Grant Budgeting. To ensure the prudent management of grant funds, upcoming disbursement amounts will be commensurately withheld to reflect the above measures.

While we acknowledge that implementing these temporary measures will create some practical issues, we appreciate your understanding and cooperation. Our aim is to work together to maximize your country's ability to adapt its Global Fund grants to the rapidly evolving external context, and thus to ensure we continue to optimize the impact of our investments, protecting the gains and sustaining our progress.

Your Global Fund Country Team will reach out to you shortly to discuss next steps. We thank you once again for your partnership and important efforts in the global fight against HIV/AIDS, tuberculosis and malaria.

Yours sincerely



Mark Eldon-Edington
Head, Grant Management Division

cc: Dr. Bounserth Keoprasith, Director General of the Department of Planning and Finance
Dr. Phouthone Muongpak, CCM Chair
Dr. Ying-Ru Jacqueline Lo, CCM Vice Chair
CCM Secretariat
, LFA

Operational Update on GC7 Grant Reprioritization and Revision

Received
Operational
Update on GC7
Grant
Reprioritization
and Revision from
the GF on June 6,
2025.



Operational Update on GC7 Grant Reprioritization and Revision(Cont.)

Received
Operational
Update in the
latest version on
GC7 Grant
Reprioritization
and Revision from
the GF after
meeting with the
CT team on June
16, 2025.



Operational Update

Date published: 16 May 2025

Dear colleagues,

We would like to share with you an update on adaptation measures for Grant Cycle 7 (GC7) grants. In the context of reduced international funding for health programs, the Global Fund's objective is to support you in optimizing the use of Global Fund grant investments to preserve and enable lifesaving services.

Grant reprioritization and revisions. Following the contingency measures announced in letters to PRs last month, the Board of the Global Fund has recently agreed on the way forward for grant reprioritization and revisions to start in mid-June.

Below you will find information to support CCMs, PRs and partners in their planning for the reprioritization of investments:

- In the event that the Global Fund needs to reduce allocation funding for GC7, indicative reduced grant amounts will be communicated **by mid-June**. CCMs will then have a two week period to respond to the Global Fund (more information will follow).
- A programmatic reprioritization approach document will also be shared **by mid-June**; all reprioritization decisions will need to take into account country context.
- Guidance on revising grants will be shared **by mid-June** as well. All grant revisions will need to be fully completed and signed by PRs and the Global Fund, with CCMs in agreement, **by end-September** at the latest.

These slides ([English](#) | [Español](#) | [Français](#) | [Português](#)) provide more information.

This programmatic reprioritization can be used by CCMs, PRs and partners to analyze programs holistically and reprioritize investments from the Global Fund, considering the availability of all sources of funds, domestic and international.

Stakeholder engagement. To ensure meaningful engagement of all stakeholders, we suggest CCMs start planning, for meetings to take place during the second half of June.

As a partnership, we must ensure all members of the CCM, including civil society, the communities most impacted by the diseases, governments, technical and bilateral partners, are part of an inclusive, robust and evidence-based conversation on how to reprioritize grants. CCMs are therefore encouraged to consider whether they can allocate CCM funding to support wider engagement and consultation, especially for civil society and communities.

These discussions and the program choices may prove difficult, but we must stay focused on the mission to save as many lives as we can in this challenging funding landscape.

More information on lifesaving services and meaningful engagement is included below.

Co-financing commitments and deferral of activities. In the meantime, we continue to ask CCMs and PRs to:

- 1) Continue engaging with relevant ministries and country stakeholders, to ensure the host country is meeting its co-financing commitments for GC7 grants to maintain programmatic progress, strengthen sustainability and support a gradual transition from external financing.
- 2) Actively work with your Global Fund Country Teams to align on the final list of grant activities to defer or pause – this will help create more space for reprioritization of investments to protect funding for lifesaving services.

Global Fund Country Teams are available to support you through the next steps as needed.

The Global Fund is committed to continuing to work in partnership with CCMs, PRs and in-country partners during these uncertain times, to address challenges and seek solutions together. We thank you for your efforts in the fight against the three diseases and saving lives.

Best regards,
The Global Fund

Lifesaving services in the context of programmatic reprioritization

To preserve lifesaving services, HIV, TB and malaria programs need to cover core priorities, considering all sources of funds. This includes domestic resources and Global Fund investments as well as other sources, such as partners and development banks. Priority services will differ by disease program, though arguably the most essential

Operational Update on GC7 Grant Reprioritization and Revision(Cont,1)

element is treatment: treatment continuity and care for HIV; diagnosis and treatment for TB; and case management for malaria. Countries should continue to follow WHO disease specific normative guidance.

Access to these services by the populations and communities most impacted by the three diseases is a key principle that underpins the approach to reprioritization. As reprioritization discussions and decisions progress, we must consider interventions that remove barriers to accessing services (e.g., human rights/gender-related barriers), the essential health and community systems (RSSH, including CSS) and service delivery platforms necessary to deliver them.

All these elements (commodities, service delivery, health system functions and access) are disease and country specific, so reprioritization decisions must be tailored to the specific context and be country owned.

Detailed Global Fund guidance will be provided in mid-June.

Decision-making requires an inclusive approach

An inclusive CCM dialogue during grant reprioritization and revisions will be critical. The Global Fund will encourage transparent communication and inclusiveness, including civil society and community representatives, by:

- **Ensuring that all major communications** are sent to all CCM members using their Grant Entity Data.
- **Engaging CCMs and PRs early on** so they can schedule consultations for revisions and encourage and provide flexibilities to reallocate existing CCM funding, when available, to support full CCM engagement.
- **Adding a two-week mandatory period** between PR submission of the revision to the CCM and its submission to the Global Fund, to ensure the CCM has a chance to discuss the revision with all its members.

Keeping Grant Entity Data accurate and up to date

PRs, CCMs and LFAs, are requested to verify the accuracy of their contact information, called Grant Entity Data (GED), as the Global Fund uses this information to send key communications.

It is crucial that GED remains accurate, particularly for the PR Authorized Signatory, PR Organization Representative for Notices, CCM Chair, CCM Vice-chair, Civil Society Representative, CCM Secretariat staff and LFA contacts. The PR's official name also



Operational Update

Date published: 6 June 2025

Dear colleagues,

Following our [16 May Operational Update](#), and due to the ongoing challenging funding landscape, the Global Fund will be working with Country Coordinating Mechanisms (CCMs) and Principal Recipients (PRs) to reprioritize activities in Grant Cycle 7 (GC7) grants to safeguard lifesaving interventions. GC7 allocations will be reduced to adjust to this new reality, which will require PRs to go through grant revisions. Some countries may need to reprioritize beyond Global Fund grants, planning health programs holistically. Reprioritization decisions should be made considering all sources of funding: domestic and external.

At this time, we would like to share updated timelines as follows:

- By the end of June, CCMs, PRs and Ministers of Health will receive letters indicating the GC7 reduced allocation and revised indicative budgets per grant.
- Countries with one grant will be able to proceed to grant revisions as soon as the letter is received. Countries with more than one grant will have two weeks to review the indicative grant budget amounts and revert to the Global Fund in case of proposed changes. Further instructions will be included in the letter.
- To ensure meaningful stakeholder engagement in this process, we suggest CCMs plan for at least one meeting with all CCM members to take place during the first half of July. These meetings are intended to discuss reprioritization of interventions and align on and confirm the final grant budgets amounts to the Global Fund where relevant.

The following programmatic reprioritization approach document can be used to support countries' dialogue and decision-making: [English](#), [Español](#), [Français](#) and [Português](#) (English available, translations forthcoming in mid-June). The content of this document aims to support country stakeholders to decide on the reprioritization of interventions. It is not

meant to be prescriptive, and decisions on reprioritization will need to be adapted to country context and follow WHO normative guidance. These slides in [English](#), [Español](#), [Français](#) and [Português](#) provide more information (English final, translations forthcoming in mid-June).

In preparation for Grant Cycle 8 (GC8), reprioritization decisions and grant revisions for GC7 must be taken considering integration, cost effectiveness and long-term sustainability of HIV, TB, malaria activities within countries' primary health care services and health and community systems.

In addition, please find below an update on GC8 timelines to support your planning.

If you have any questions, please do not hesitate to contact your Global Fund Country Team.

We thank you for your efforts in the fight against AIDS, tuberculosis and malaria and for your continued partnership.

Best regards,

The Global Fund

Update on timelines: GC8 Application materials and Allocation letters

Due to ongoing uncertainty on the global health financial landscape and considering the Eighth Global Fund Replenishment is taking place later than it normally would in the funding cycle, GC8 timelines are **tentatively scheduled** as follows:

- Applicant materials are scheduled to be published in November 2025.
- Allocation letters will be shared at the end of February or in early March 2026.

We will continue to update you to support your planning as soon as we have new information.

Global Fund mission to support grant revision and implementation

Received Global Fund Mission Letter to support grant revision and implementation on June 24, 2025. The GF team will come to support this grant revision by 1 to 5 September 2025.



GMD/SEA/LAO/2025-1526/AN

Geneva, 24 June 2025

Dr. Bounserth Keoprasith
Director General of the Department of Planning and Finance
Ministry of Health
Simoung Rd. Vientiane
Lao People's Democratic Republic

Subject: Global Fund mission to support grant revision and implementation

Dear Dr. Bounserth,

We are pleased to confirm that the Global Fund country team will conduct an in-country support mission to Lao PDR from 1 to 5 September 2025. The main objective of the mission is to support the reassessment and reprioritization of the HIV/AIDS and tuberculosis (TB) grant under the HANSA 2 project. The mission will be conducted in a hybrid format, combining in-person and online meetings.

The proposed meetings outlined in the tentative agenda will be coordinated and confirmed by the National Project Coordination Office, under the Department of Planning and Finance of the Ministry of Health (MoH), in close collaboration with the Country Coordinating Mechanism (CCM). We understand that this timing is convenient for all stakeholders.

The mission will focus on four main objectives: i) support the reprioritization and grant revision process; ii) support the implementation of HIV and TB grant activities under the HANSA 2 project; iii) review the implementation status of pending agreed management actions; and iv) agree on the next steps and actions to address identified issues.

The mission will be led by the undersigned, Fund Portfolio Manager, and will include the following members of the country team:

- Ms. Margaret Kugonza, Public Health, Monitoring and Evaluation Specialist
- Ms. Manusika Rai, Health Product Management Specialist
- Ms. Victoria Jhong Chung, Program Officer
- Mr. Gonzalo Penacoba-Fernandez, Specialist, Sustainability, Transition, and Co-Financing
- Mr. Luke Murumba, Senior Legal Counsel
- Mr. Alexander Andwati, Senior Specialist, Finance
- Ms. Roselyne Souvannakane, Fund Portfolio Analyst


We appreciate your continued partnership and commitment to strengthening the national response to HIV and TB. We look forward to a productive mission and to working closely with all stakeholders to ensure the successful implementation and impact of the grant.

Warm regards,

Allan Nfamba
Fund Portfolio Manager
South and East Asia

LAO-C-MOH Grant Cycle 7 Reprioritization

Received LAO-C-MOH Grant Cycle 7 Reprioritization from the GF (CT team) on June 30, 2025.

LAO-C-MOH Grant Cycle 7 Reprioritization 



Allan Nfamba

to khattiyabaykham@gmail.com, Phouthone, Nao, Phonepadith, Rattanaxay, Sisomboun, Sifong, Bounta, Vilatsone, Kouyang, Thongphim, Sonenaly, Timothy, Vallee, Miyako, kerdahl@usaid.gov, Frank, Chanthanom, Arthipatay, b

Mon, Jun 30, 6:47 PM (2 days ago)



Your Excellency Dr. Khattiya,

Dear Honorable Professor Dr. Muongpak,

We are writing in relation to your country's Grant Cycle 7 (2023-2025 Allocation Period) ("GC7") grant, LAO-C-MOH (the "Grant") and the letter sent to the Principal Recipient and Country Coordinating Mechanism ("CCM") in April 2025, concerning adjustments to the Grant.

Following a qualitative review of your country and the Grant's unique context, we are writing to confirm that an allocation reduction will not be applied to this Grant as part of the overall reprioritization and reinvestment exercise the Global Fund is currently undertaking.

Notwithstanding this, your country is strongly encouraged to ensure that the Grant can continue implementing lifesaving services for the fight against the three diseases and health and community systems, taking account of available domestic and external funding.

Next steps: Detailed guidance is forthcoming on any reprioritization and reinvestment exercise that may be needed for the Grant, as determined by the CCM (following consultation with all members), the Principal Recipient and the Global Fund Secretariat. In the event an Implementation Letter is needed to memorialize this exercise, it must be signed by **30 September 2025**. This is to facilitate swift implementation of the revised grant activities during the remainder of the Grant's term.

Your Global Fund Country Team will reach out to you shortly to discuss next steps.

Thank you for your continued partnership and important efforts in the global fight against HIV/AIDS, tuberculosis, malaria, strengthening integrated systems for health, and maximizing health equity.

Yours sincerely,

Allan

Allan Nfamba

Fund Portfolio Manager



M: 0795496006
allan.nfamba@theglobalfund.org
theglobalfund.org

LAO-C-MOH Grant Cycle 7 Reprioritization (Cont.)

Principles of GC7 mid-cycle grant adaptations

In the context of reduced international funding for health programs, the Global Fund aims to support Principal Recipients, Country Coordinating Mechanisms and other in-country partners to optimize the use of Global Fund grant investments in Grant Cycle 7 (GC7).

The key objective is to support countries to protect and enable access to lifesaving services.

Key Milestones of Reprioritization of Investments

1



Defer or pause agreed activities

to reduce the pace of spending and maximize available funding.

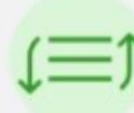
2



Operationalize grant and program efficiencies

to preserve quality grant implementation in the most efficient manner; allowing for financial space to maximize coverage of lifesaving, high impact interventions.

3



Reprioritize Global Fund investments

to preserve access to lifesaving services, considering all sources of funding and holistic support across disease programs and health and community systems.

4

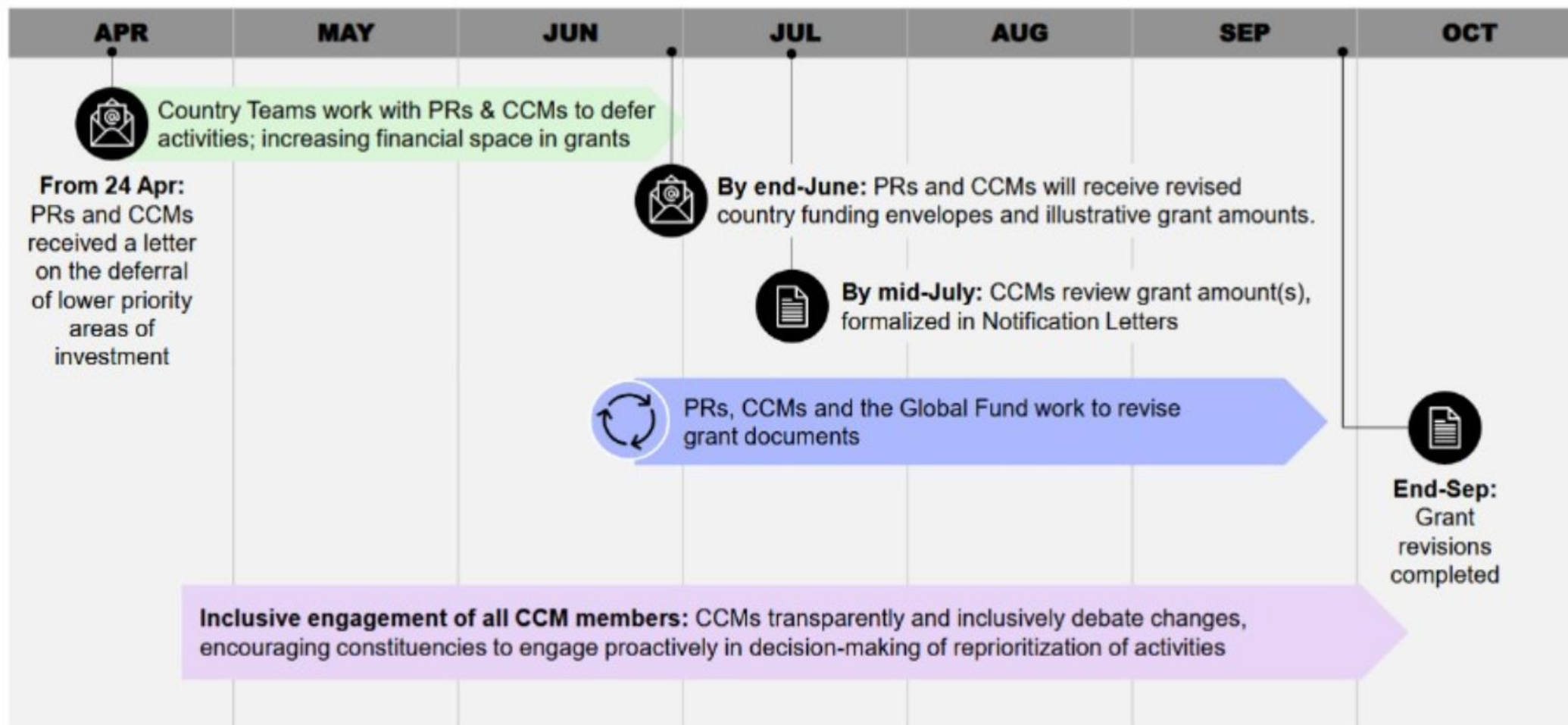


Revise grants

If allocated funds for GC7 are reduced, the grant revisions process will be required to amend grant agreements.

LAO-C-MOH Grant Cycle 7 Reprioritization (Cont,1)

Illustrative timeline for GC7 mid-cycle grant revisions



Refund of Unspent C19RM Grant to the GF

A. Reconcile-Unsepent Grant fund

Items	C19RM Funding
Opening cash balance (as of 1 Jan 2021)	1,288,820
Total IP Income	6,989,131
Cumulative actual expenditure for the IP	-8,043,529
Non-compliant expenditures – see point B below (Tax fee of audit Y2021)	-425.24
Forex differences	-4,487
Revers non compliant expense	-22
Final closing cash balance (as of 30 June 2024) excluding non-complaint expenditures	229,487.98
Audit fee for Y2023 to 30 June 2024.	6,983.64
Bank fee of PR&SRs bank accounts	190.68
Tax fee for audit Y2022 using grant fund	(607.46)
Final closing cash balance (as of 31 May 2025) by PR report	222,921.12

Follow-up on refund from Lao PDR inbox x



Allan Nfamba

to Chansaly, Chansaly, Bounserth, me, Houmphanh, Victoria, Alexander, Roger

Jun 20, 2025, 4:22 PM (10 days ago)



Dear Dr Chansaly,

It was a pleasure speaking with you earlier this week and discussing key aspects of the Global Fund grant to Lao PDR.

As mentioned during our conversation, we acknowledge receipt of a refund of USD 641.01 from the Ministry of Health of Lao PDR. This amount includes the non-compliant expenditure of USD 425.24 and the closing cash balance of USD 22.01, both of which were part of the originally requested refund amount of USD 229,935.23.

Accordingly, we confirm that the outstanding refund amount is **USD 229,487.98**.

We kindly request that the remaining balance be transferred no later than **30 June 2025**.

Best regards,

Allan

Allan Nfamba
Fund Portfolio Manager

A. Cash Balance

The final confirmed cash balance at the end of the closure period is US\$229,510. Please see the details below:

Item	C19RM Funding
Opening cash balance (as of 1 Jan 2021)	1,288,820
Total IP Income	6,989,131
Cumulative actual expenditure for the IP	(8,043,529)
Non-compliant expenditures – see point B below	(425)
Forex differences	(4,487)
Final closing cash balance (as of 30 June 2024) excluding non-complaint expenditures	229,510

Refund of unspent C19RM Grant to the GF (Cont.)

B. PR&SRs bank statements

Implementers	Cash in banks as per June 2024	Actual expenditure July 2024 to May 2025	Cash in banks as per May 2025	Comments
SR MOH NTC	72,015.29	19.50	71,995.79	All expenditure is bank fee
SR MOH CHAS	33,487.76	19.50	33,468.26	All expenditure is bank fee
SR MOH CMPE	69,857.98	29.68	69,828.30	All expenditure is bank fee
SR MOH DHR	7,818.96	19.50	7,799.46	All expenditure is bank fee
SR Lao Red Cross	6,527.10	28.50	6,498.60	All expenditure is bank fee
SR Lao Women Union	49.33	5.50	43.83	All expenditure is bank fee
SR APL+	44,819.66	19.50	44,800.16	All expenditure is bank fee
SR CHIAs	102.97	19.50	83.47	All expenditure is bank fee
SR PEDAs	47.26	5.50	41.76	All expenditure is bank fee
PR BCEL	16,118.26	13,689.64	2,428.62	\$ 6,074.54 is commitment of Audit fee Y2022 (paid as Oct 15, 2024) \$ 607.46 is Tax fee using grant fund (paid as Oct 15, 2024) \$ 6,983.64 Audit fee of Y2023 to 30 June 2024 (paid as Dec 27, 2024) \$24 is bank fee
PR BOL	158,058.95	-	158,058.95	N/A
Closing cash in bank	408,903.52	13,856.32	395,047.20	

Thank You!