



**United States Department of State**

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**INFORMATION MEMO FOR Chargé Kvien, Ukraine**

**FROM: S/GAC – Ambassador Deborah L. Birx, MD**

**SUBJECT: FY 2020 PEPFAR Planned Country Allocation and Strategic Direction**

Dear Chargé Kvien:

First, I wanted to personally thank you and Acting Deputy Chief of Mission Pennington for your dedication to PEPFAR and working every day to achieve the most possible with the United States taxpayers' dollars. The ability to translate these resources into effective and impactful programming has and continues to be core to our collective progress. Your PEPFAR team in country is extraordinary and we are fortunate to witness their passion and compassion. We are very excited about your progress in:

- Scaling index testing and provider-initiated testing and counseling (PITC) in tandem with risk screening tool roll-out to improve the early detection of new HIV cases in PEPFAR-supported regions
- Successfully piloting patient-centered approaches (especially with key populations including people who inject drugs (PWID) and men who have sex with men (MSM)-focused testing and case management) at NGO-supported sites and city AIDS centers.
- Achieving 95% viral load suppression across 12 PEPFAR-supported regions

Together with the Government of Ukraine and civil society leadership we have made tremendous progress together. Ukraine should be proud of the progress made over the past 16 years of PEPFAR implementation and we are deeply grateful for the ongoing deep coordination with the Global Fund and UNAIDS.

We did want to highlight both overarching issues we see across PEPFAR and a few specific to Ukraine. Full details will follow in a more comprehensive letter from your S/GAC Chair and PPM.

Throughout the PEPFAR family of supported countries and communities, five gaps are shared across the globe holding us collectively back from achieving Sustainable Development Goal 3 related to controlling the HIV AIDS epidemic where #2-5 are particularly relevant to our collective efforts to address the Ukraine epidemic:

1. Continued new HIV infections in adolescents and young women
2. Supporting key populations with prevention and treatment services

3. Ensuring men are diagnosed and treated early (testing positive and new on treatment (linkage surrogate))
4. Ensuring 15-35-year-old asymptomatic clients are maintained on treatment and virally suppressed (net new on treatment and treatment current growth, (retention surrogate))
5. Ensuring all children are diagnosed and are on the best treatment regimens and virally suppressed

As Ukraine prepares for COP 20/FY 2021 implementation, we have identified the remaining prioritized challenges:

- There is still a large group of people living with HIV, many of whom may be former injecting drug users, who are unaware of their status. Many of these individuals are identified too late, resulting in unnecessary loss of life. We must figure out how to find these individuals earlier.
- The time from diagnosis to treatment initiation has improved over the past year but is still too long. There are also a significant number of people who are diagnosed as HIV positive, but never linked to treatment.
- There is a concerning lack of retention among PWID – one third of PWID are lost to follow up within 6-18 months of antiretroviral treatment initiation.

In a recent Office of Inspector General audit around PEPFAR coordination there were four draft preliminary recommendations based on their discussions with PEPFAR staff in the field from four countries, three of their recommendations are relevant to this Country Operational Plan planning cycle related to target setting, tool development, and timelines. Although we just received the draft report a few days ago we did not want to wait another COP cycle to make substantive changes related to the recommendations. The first was around targets and target-setting and the need for a clear and transparent understanding and dialogue in establishing targets. PEPFAR targets are not PEPFAR's but flow directly from the UNAIDS Fast Track Strategy of 2016. Since 2016, both the PEPFAR strategy and targets were directly derive from the global communities of UNAIDS, WHO, and specifically Heads of State in their commitment to SDG 3 and are aligned to support the country's specific ambition towards those goals. The global community in 2015 through their Heads of State committed to achieving SDG 3.3 by 2030 which for HIV is ending the HIV/AIDS epidemic as a public health threat. This was followed by a United Nations High Level Meeting on HIV/AIDS in June 2016, whereby these Heads of State committed to the 90/90/90 Fast Track Strategy. Essential to the strategy was 73% community viral load suppression (VLS) by 2020 and 86% community VLS by 2030 combined with increased prevention interventions and zero stigma and discrimination to ensure all ages, genders and risk groups have access to life saving prevention and treatment services.

Also, in 2016, 22 PEPFAR-supported high HIV burden countries committed to the three Frees of Start Free, Stay Free, AIDS Free with 2020 targets of a decrease in new infections in children to 20,000, 85% of pregnant women on ART, AGYW new infections to < 100,000, 90% of children on ART and 25 million VMMC's. Since 2016 PEPFAR and the GF resources have been focused on achieving these global goals that have been translated to each country by UNAIDS and subsequently supported financially and technically by the PEPFAR family. Since 2016, PEPFAR has utilized these global commitment targets as PEPFAR targets with the

commensurate increased funding to countries in 2016, 2017, and 2018 to achieve the goals set out by the Heads of State. Many countries have made tremendous progress towards these targets and others need to accelerate. Ukraine could be on track to achieve the 2020 and 2030 goals if specific programmatic gaps are addressed.

Over the past 4 years, PEPFAR resources were allocated based on need, performance, and specifically on the country's and communities' desire to achieve the SDG, Fast Track Strategy, and Three Free goals and country specific targets. Based on the OIG recommendation, S/GAC will take a different approach this year to target-setting. Our collective hope is that together we use this moment of reflection on progress and challenges along with the realization that the end of 2020 is only 11 months away to address these overarching challenges this year through COP 2019 implementation and use COP 2020 to maintain our progress, address any ongoing challenges and finally fund ambition for greater impact. Thus, S/GAC will not assign targets to countries but only provide notional budget levels. After the PEPFAR country team submits their targets the notional budget will then be adjusted to the presented level of ambition. Additional funding is available as ambition funding for treatment.

The PEPFAR Country/Regional Operational Plan (COP/ROP 2020) notional budget is \$32,830,000 inclusive of all new funding accounts and applied pipeline and reflects the following:

1. Sustaining the gains in treatment services based on your projected COP 2019 treatment result (FY2020 treatment current funded in COP19) \$23,900,000
  - a. The care and treatment budget is determined by all of your FY18 C/T expenditure services and commodities (no RTK commodities), including all aspects of the health system inclusive of human resources, laboratory and systems, commodities (exclusive of RTKs), an upward adjustment from FY19 treatment current to the FY2020 treatment current fully burdened cost of treatment services and commodities, and 100% of partner program management costs and data needs
  - b. This Budget is broken down by
    - i. Care and Treatment services including partner program management costs, FY2020 upward adjustment, EMR and data with surveillance, recency \$18,000,000
    - ii. ARV drugs and treatment commodities (everything except RTKs) \$2,000,000
    - iii. TB preventive treatment \$1,000,000
    - iv. For earmark purposes 50% of M/O costs \$2,900,000
2. Continued orphans and vulnerable children funding \$130,000
  - a. HKID or \$130,000 dollars for continued historical OVC services
3. Continued expansion of Key Populations prevention and expansion of PrEP depending on country submitted targets
  - a. Key Population (non-treatment) \$4,900,000
  - b. PrEP total: \$1,000,000 dollars
4. Remaining 50% M/O based on COP19 \$2,900,000

The total COP 2020 notional budget of \$32,830,000 is comprised of \$27,416,037 new FY 2020 funding and \$5,413,963 pipeline. In addition, there is \$7,329,881 in remaining FY 2019 funding that can be made available to agency partners with the highest performance with evidence that they are addressing one of the critical gaps outlined above. Use of the additional FY 2019 funds would need to be consistent with the cost of expanded targets and address one of the gaps in programming #2-5 above. Use of this funding should be discussed with the S/GAC chair and PPM during the January strategy retreat and tentatively approved and be submitted with the Data Pack and FAST tool. The final budget and associated country level targets will be discussed and approved during the Johannesburg meeting.

Again, the team has received a notional budget as noted above and a final budget approval will be contingent on the team's desired targets. As always funding is associated with a performance target that will be achieved with those resources. Targets and the subsequent approved budget should reflect the level of ambition the PEPFAR team in collaboration with the Government of Ukraine and civil society of Ukraine believes is critical for the country's progress towards controlling the pandemic and maintaining controlling.

We are hoping this new approach to target-setting and budget will establish an open dialogue on target-setting and empower teams to work with all stakeholders to plan a strategic and impactful COP. The expectation is for country teams and agencies to propose to S/GAC the targets they believe are achievable and feasible and hold their partner's accountable to that achievement. In addition, this new approach to target-setting gives high performing partners and agencies with additional aspirations the opportunity to do more to achieve even greater impact with additional ambition resources.

In the next 48 hours, more detailed descriptions of OU's programmatic successes and challenges will be conveyed to your wider PEPFAR team by the S/GAC Chair and PPM in a phone call, after which the detailed planning level letter will be immediately released.

Again, thank you for your work and we are looking forward to working with you to achieve your Fast Track Strategy and ultimately the SDG 3 goal.

Together we can.

Deborah Birx