

საქართველოს ოკუპირებული ტერიტორიებიდან დევნილთა, შრომის,
ჯანმრთელობისა და სოციალური დაცვის მინისტრი

Minister of Internally Displaced Persons from the Occupied Territories,
Labour, Health and Social Affairs of Georgia



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№ 01/6413

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To: Mrs. Gyongyver Jakab

The Global Fund Country Portfolio Manager

Dear Mrs. Jakab,

First of all, I would like to take the opportunity and express my sincere appreciation for TGF continues support for Georgia. The Global Fund (GF) has invested over 134 million USD in Georgia since 2003 (disbursed \$ 131 million, including \$81 million for HIV program) and this support was instrumental for achieving important progress with all three diseases. Namely, the country has eliminated Malaria in 2011 and TB and HIV epidemics have been contained.

The national ART program provides universal access, high coverage of target population and high quality of treatment and is therefore, recognized as one of the best in the region by the international experts. Georgia was one of the first countries in the region to implement WHO's "Treat ALL" strategy (December 2015). Currently, there are 4,636 patients on ART. We were the first in the region to start PrEP among MSMs in the EECA region also (September, 2017).

Similarly, there has been important progress in terms of managing TB epidemic. The Georgian national TB program has achieved remarkable success in the uptake and implementation of international strategies and guidance in TB control. Visible improvements have been documented during the recent years in relation to TB burden, such as decrease in the number of TB cases and TB rates.

The universal access is ensured to diagnosis and treatment of all forms of TB, including M/XDR-TB. The use of novel rapid diagnostic methods for TB and DR-TB, as well as to newly developed drugs is being scaled up. Overall, more than 20,000 patients received anti TB treatment with the support of the GF.

As the GF support to Georgia is decreasing considerably (by 50%) for the next 3-year funding cycle (till 2022), we understand the need for mobilization of substantial additional domestic resources for scaling up the programs to sustain and enhance the recent positive trends observed in HIV and TB control.

The Medium-Term Expenditure Framework (MTEF) of Georgia envisages that public expenditures for health will maintain stable trend during the coming years (See table below for 2019-2022 projections):

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|--------|--------|--------|--------|--------|--------|--------|
| Government Expenditures for Health (in mill GEL) | 1063.7 | 1086.7 | 1135.0 | 1209.3 | 1243.2 | 1517.5 | 1313.0 |
| Government Expenditures for Health (in USD) | 449,4 | 433,2 | 447.8 | 454.6 | 467,4 | 570,5 | 493,6 |

The table below summarizes the historical trends of Public expenditures on HIV national response during the new allocation period (2016-2018). The planned public expenditures on HIV will be growing in 2019-2022. It is projected that the figure will reach 22,6 mill in 2022.

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--------------------------------------|------|------|------|------|------|------|------|
| Domestic spending on HIV (mill, GEL) | 30.4 | 34.1 | 34.4 | 42.3 | 45.0 | 56.7 | 59.9 |
| Domestic spending on HIV (mill, USD) | 13,4 | 13,9 | 13,6 | 15.9 | 17.0 | 21,4 | 22,6 |

The above trends prove that the country is meeting the two core co-financing requirements for the new implementation phase (2020-2022), set forth in the Global Fund Sustainability, Transition and Co-financing Policy (April 2016): increasing government expenditure for disease programs and health systems, and progressive absorption of key program components with domestic

financing, as well as co-financing incentive requirements including allocation of minimum 50% of additional investments for interventions targeting key and vulnerable populations. Namely, during 2019-2022 the additional US\$6.58 million will be allocated for HIV programs. US\$ 0.82 million for KAPs' prevention services, US\$ 0.34 million for STI diagnostic and treatment for KAPs, US\$ 0.38 million for PrEP clinical monitoring services and US\$ 0.14 million for palliative care services.

Georgia's National HIV Strategy was updated in 2018 for the period of 2019-2022. It has incorporated the Sustainability and Transition Plan activities, which the State needs to address during the transition period.

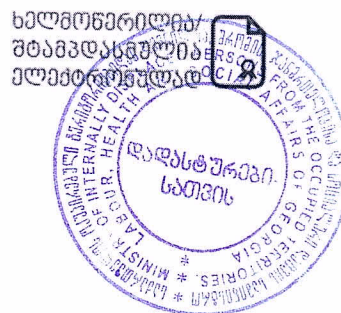
Sustainability of HIV prevention programs remains of particular importance. The ministry intends to start investing in HIV prevention programs from 2020. The first pilot state funded HIV prevention program will be initiated among PWIDs in one of the regions of Georgia that will be further expanded during 2021 to cover 50% of PWIDs services and 45% of FSWs services through the State funding. The State will start investing in HIV prevention programs for MSMs and SWs according to the sustainability and transition plan agreed with the GF.

The State Program's annual budget is approved by the special Government decree every year and it allows tracking of central government allocations for public programs, including that of the State HIV program. It has sub accounts and the descriptive part that has the information on the distribution of the funding among interventions. The country is also monitoring the national HIV expenditures within the UNAIDS GAM framework that is prepared annually by the National HIV team using the UNAIDS platform by April 1st of the next calendar year. The Country report for the UNAIDS GAM is prepared by the Ministry of Internally Displaced Persons from Occupied Territories, Labour, Health and Social Affairs that collects the expenditure reports from all parties involved in the National HIV response in Georgia. The UNAIDS GAM report that has sections on public expenditures, external sources and private expenditures. It is published on the UNAIDS web-site and used for reporting to the State, as well as to international partners for the national HIV program expenditures will be used for the reported to the Global Fund CT on an annual basis.

By signing this letter, I acknowledge the full commitment of the Ministry to maintain allocations for health, including for HIV programs as indicated in MTEF and to meet the GF co-financing requirements.

Sincerely,

Acting Minister of Internally Displaced Persons from the
Occupied Territories, Labour, Health and Social Affairs
of Georgia



Tamila Barkalaia

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