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Resilient nations.*

CAPACITY DEVELOPMENT AND TRANSITION PLAN BELARUS

To further enhance the national systems to improve the performance of the Global Fund nominated Principal Recipient to strengthen the delivery of national HIV and TB Responses.

Nominated Principal Recipient:

“Republican Scientific and Practical Center for Medical Technologies, Information, Administration and Management of Health” (RSPC MT)

Phase 1: May-December 2015

Phase 2: 2016

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BACKGROUND

The Global Fund has shared a decade of remarkable collaboration in Belarus with the Government and its line ministries, UNDP, UNAIDS, WHO, other national and international partners, national Tuberculosis (TB) and HIV programs, and civil society. The UNDP Belarus country office, nominated Principal Recipient (PR), has successfully set up the first grant implementation unit (GIU) in 2004 for the HIV Round 3 grant, and added the Round 6 TB grant in 2007.

While a challenging process, important programmatic results have been achieved over the 10 years. We jointly witnessed increased Government involvement and contribution toward the national TB and HIV programs, including, procurement of 100% of sensitive TB, 70% of MDR-TB medicines, and, since 2014, of 40% of antiretroviral (ARV) needs on national level, and harm reduction, OST and TB/HIV prevention programmes for Most-at-Risk-Populations (MARPs). Most recently, the Government committed to funding support in the form of food and transport subsidies for MDR-TB patients, and a social contracting mechanism is under discussion for implementation starting with 2016.

In March 2014, the Global Fund announced its allocation for Belarus HIV and TB programs for the 2015-2017 funding window in the amount of US\$ 12,5 million and US\$ 11,8 million respectively. Based on the eligibility list, Belarus was classified in Band 4, and it is highly likely that the country's upper middle income classification and disease burden may render Belarus as not eligible for Global Fund funding in the next allocation of funding.

Envisaging a sustainable transition out of Global Fund funding paralleled with increased commitment and capacity to manage Global Fund grants, the Country Coordination Mechanism nominated in March 2015 a national PR – the Republican Scientific and Practical Center for Medical Technologies, Information, Administration and Management of Health (RSPC MT) for the next 3-year funding window. The HIV and TB Concept Notes were submitted on 20 April 2015, and the new grants are expected to have a start date of 1 January 2015. Between May and December 2015, parallel to the approval and negotiation process of the new grants, the capacity development and transition process from UNDP to RSPC MT will be managed jointly by the UNDP/ RSPC MT/Global Fund.

This document describes how the capacity development and transition process was planned and structured, and what mechanisms have been put in place to monitor and qualify this transition as a success. It accompanies the Capacity Development and Transition Plan (CDP) and budget described below, which have been integrated into the overall UNDP workplan and budget for May to December 2015. Additional capacity development activities for the new PR for the medium term will be included in the 2016 workplan and budget of the new grants.

SELF-ASSESSMENT WORKSHOP

for new Principal Recipient

On 30 March/ 1 April 2015, a joint workshop of the Global Fund, RSPC MT and the UNDP was organized to introduce Global Fund PR minimal requirements and help the new PR assess its capacity to fulfil these requirements. The workshop was structured into groups by functional area (Program Management, Financial Management, Monitoring and Evaluation, and Procurement and Supply Chain Management) working in parallel through a standard list of questions aimed at evaluating readiness to become a PR. Based on the identified capacity gaps, actions with priorities and timelines were developed. These actions were translated into a work plan and budget – Capacity Development and Transition Plan (CDP).



The early self-assessment (almost immediately following the CCM nomination) to identify the capacity gaps aims to bring the following benefits:

1. Allow the RSPC MT to prepare for the full Global Fund Capacity Assessment of the new PRs conducted by the LFA, currently planned for the beginning of August 2015. This should result in both an improved assessment rating for RSPC MT in all functional areas and more effective LFA assessment in terms of effort and cost, as it will be focused on specific gaps previously identified rather than running a comprehensive CAT¹ exercise.
2. Allow the RSPC MT to better understand Global Fund requirements for PRs, but also its overall processes, in order to inform the planning of grant implementation unit (GIU) structure and its capacities, and of future grant implementation arrangements.
3. Allow the RSPC MT to better understand how the UNDP Belarus, the current PR, implements the Global Fund grants, and to identify opportunities for training and job shadowing in the coming months or other resources and capacities to tap into.
4. Moreover, the 8-month timeframe, should allow the RSPC MT and other stakeholders to address more complex or new (to Government PR) requirements such as NGO contracting, registration of grant agreements and signature of Framework Agreement, tax, currency, and international procurement legal provisions, or potential issues related to the contracts and remuneration of future GIU staff.

The self-assessment exercise contoured the implementation arrangements to be proposed for the new grants under RSPC MT. The Concept Note submitted in April 2015 already included already an overall description of proposed implementation arrangements, based on the results of the self-assessment and further joint consultations.

¹CAT stands for the Capacity Assessment Tool, a standard tool used by the LFA and Global Fund for assessment of new and repeat Principal Recipients. <http://www.theglobalfund.org/en/lfa/documents/>

CAPACITY DEVELOPMENT

and Transition Framework

The proposed Capacity Development and Transition framework and process for the RSPC MT in Belarus is outlined in the table below and consists of two interlinked phases:

1.

The achievement of capacity development results including strengthening national entities structures and systems.
2.

The reaching of Transition Milestones, by having in place national systems for all functional capacities, with acceptable levels of compliance that meet national and international requirements.

Transition Milestones

Measurable transition milestones have been developed for each of the PR implementation functional areas. The first transition milestone in each functional area will be putting in place the grant implementation unit (GIU) with RSPC MT, followed by procedures, guidance and systems with sufficient training and ‘on the job’ support to meet the requirements of the Global Fund – a satisfactory CAT assessment. The second milestone for each functional area will measure the level of up take use and compliance with the procedures and the systems against the minimum requirements



of the Global Fund – largely corresponding to grant-making process, will enable a signed grant with a functional PR at 1 January 2016. Longer term, progress update reports and the grant performance rating will be used to assess the quality of this transition. As the national systems are strengthened, there will be a transition of the PR functions

based on reaching the measurable transition milestones (see page 13). The timing of the transition will vary with a longer period of support likely to be needed for procurement of health products including medicines and lab diagnostics, as well as contracting of SRs where additional support will be provided where needed.

MAIN FINDINGS

from the Capacity Development and Transition Workshop

The following are some of the main findings from the workshop held on the 31 March and 1 April. The CDP activities were based on these findings alongside a joint discussion on prioritization and how to best structure these deliverables and the track progress.



Program Management Break Out Group

I. Governance and Program Management, including Sub-Recipient (SR) Management

- Currently there is not the equivalent of a Project Implementation Unit with the national entity with a mandate and structure to manage Global Fund grants.
- Once the mandate and structure have been agreed, the required human resources will need to be recruited using agreed Terms of Reference (ToRs) for all of the functional areas. Supporting human resource policies will also be needed including appropriate incentives, training, and coaching and performance management.
- Systems in place meet national requirements, a review revision and strengthening will be needed to meet the Global Fund minimum requirements including the completion of operational and guidance documents.
- Nominated PR has made initial contact with NGOs who are currently SRs for the Global Fund grants. Currently RSPC MT do not have procedures in place to select, contract, supervise and develop the capacity of Global Fund SRs, in particular NGOs working with the Key Populations and are crucial to the effective national response to the epidemic.
- The legal framework needs to be reviewed to clarify if it enables a national entity to carry out the functions of a Global Fund PR.
- A process should be identified to ensure the timely signature of the Framework Agreement and Grant Registration involving the Ministry of Foreign Affairs, Ministry of Economy and Ministry of Health to ensure no disruption in services.
- Limited experience of program management working with donors and international partners. The nominated PR will need to start immediately engaging in the Concept Note and then being involved in grant making and annual work planning and budgeting.
- A greater capability to work in English is a critical success factor of a Global Fund PR.

MAIN FINDINGS

from the Capacity Development and Transition Workshop

2. Financial Management and Systems, including Risk Management

- An accounting system will need to be adapted to meet Global Fund minimum requirements including budgeting, variances, monitoring and reporting on Global Fund financial resources.
- Support will be needed to strengthen the internal control system, i.e. segregation of duties, procedures and process manual, clear lines of command and approval matrix.
- There is a need to adapt existing or introduce a new Chart of Accounts (COA) together with supporting accounting package software.
- A flexible foreign currency exchange system is needed to allow funds to be held in foreign currency until payments need to be made in local currency.
- The option of interest bearing bank accounts able to carry out e-banking and produce regular bank reconciliations will need to be considered.
- Existing risk management processes will need to be aligned to meet national and Global Fund requirements.
- To review and revise asset management and insurance arrangements to meet Global Fund requirements.
- To consider options and develop strategies for sustainable financing of national programs.
- To define the process and obtain VAT and custom duties exemption.

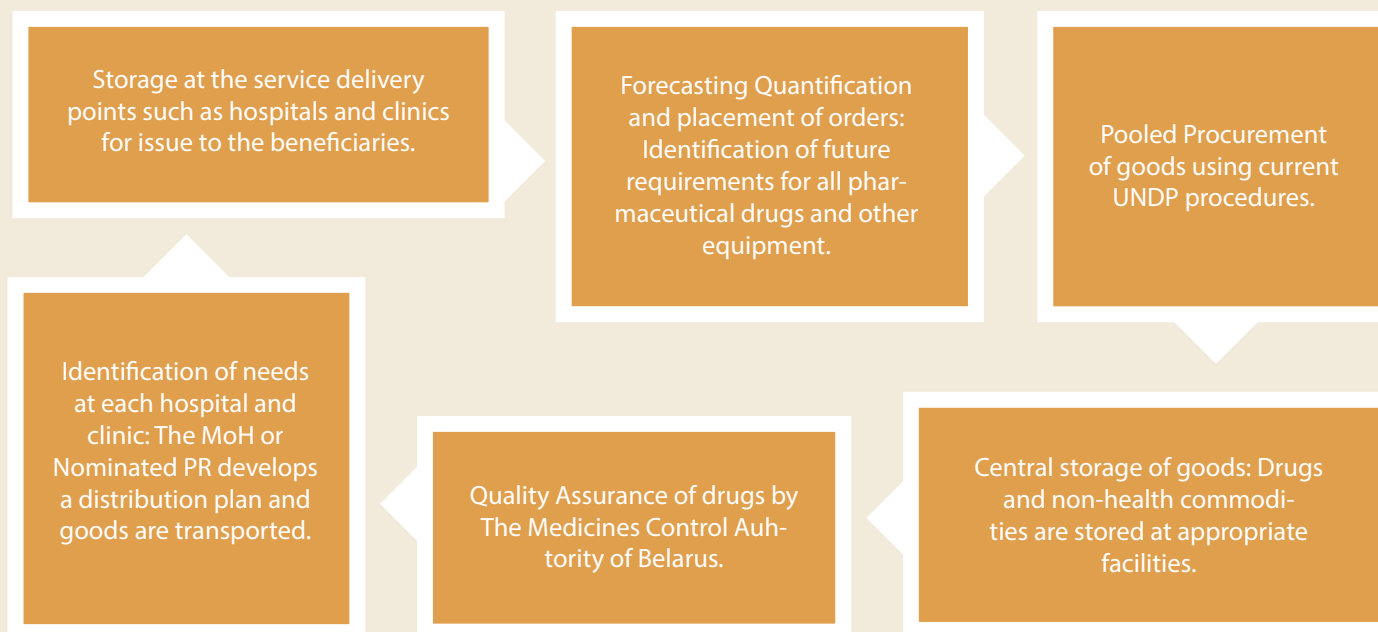
3. Procurement and Supply Management (PSM) of Health Products

- The nominated national PR has very limited experience of procurement, so this function in the short term will need to be conducted on behalf of the government by a partner with international and Global Fund procurement experience.
- Medium term procurement options will need to be considered and based on the decisions made that take into account:
 - Procurement laws, policies and SOPs that meet national and Global Fund requirements, reflected in a manual.
 - The development of Long Term Agreements (LTA) for procurement of health products and non-health commodities and services.
 - The need to strengthen the documentation management, computers and office equipment; procurement certification, procurement planning tools and workflow mapping tools.
 - Other issues to address include; pharmaceutical vigilance; and patent compliance.

MAIN FINDINGS

from the Capacity Development and Transition Workshop

The strengthening of the procurement systems would need to take place at all of the key PSM stages outlined in the diagram below.



4. Monitoring and Evaluation

- Being the regulatory institution under the MOH the PR has the statistics and data base capacity in place, managing with others the HIV and TB registers.
- Analysis of quality data and access to data to inform decisions and measure impact is the main challenge.
- Data management and analysis for NGOs will also need to be included.
- The current system used by the PR is focused on government needs, which may not respond fully to Global Fund requirements and indicators required for reporting under the grants.



Mobile HIV Counselling
and Testing Unit

CAPACITY DEVELOPMENT and Transition Plan (CDP)

The identified gaps have been translated into concrete deliverables with an entity identified as responsible, an envisaged timeline and associated budget. These deliverables were grouped into the following areas: Concept Note finalization, CDP management mechanism, setting up of the GIU, legal issues, Global Fund documents and procedures, financial management, monitoring and evaluation, and procurement. Please see the full excel version of the plan for the time line and budget. The main steps of the Global Fund grant applications from the Concept Note to the signed grant schedules have been merged into the timeline of the CDP, in order to help track and prioritize the deliverables.

The main priority identified in the CDP was the setting up of the Grant Implementation Unit (GIU) within the new PR as the basis for a successful transition. The GIU will need to be in place by 1 September 2015 to i); start the development of grant documents; ii) develop/ adapt procedures; and iii) complete coaching, training, and other activities to prepare the new national PR to commence 1 January 2016.. To establish the new PR GIU a study visit to Georgia to look at similar structures has been carried out, UNDP is providing support in defining the new PR GIU structure and TORs and assisting the new PR to ensure the process is transparent.

PLAN FOR TRANSITION & CAPACITY DEVELOPMENT of the new Principal Recipient

Activity	Responsible	Week	No. of weeks
Concept Note Preparation			
Define Focal Points to participated in CN finalization	PR	14	1
Get acquainted with CN drafts and annexes	PR	15	1
Participate in CN writing group meetings	PR	14	3

Management Mechanism			
Establish a Task Force to implement CD activities, and to work with GF and UNDP	PR	16	2
Review, finalize and approve the CDP outputs in monthly meetings/conference calls on progress updates, bottlenecks, and corrective measures/contingencies	PR/UNDP/GF	18	31
Study tour to Georgia a country with the similar systems where a governmental entity is the GF's PR	PR	26	1
GIU Set-up			
Analyze the staff needs based on implementation arrangements, GF requirements, and UNDP/other countries' experience	PR	15	3
Define the structure of the GIU for all areas (Program, Finance, Procurement, M&E)	PR	16	2
Define job description and staff requirements for each position aligned to national and Global Fund requirements	PR	17	2
Obtain GF approval for the GIU	PR/GF	18	2
Agree on contracting type for GIU staff and salary scale aligned to national and GF requirements	PR/GF	16	2
Recruit GIU staff	PR	29	4
Legal			
Define steps and calendar to ensure timely new PR registration and signature of the GF Framework Agreement	MOH/MFA/GF	18	4
Define steps and calendar to ensure tax exemption on GF-funded funds	PR	18	4
Analyze requirements for contracting NGOs	PR/SRs	18	2

Simulate NGO contracting	PR/SRs	23	4
Draft SR agreements for each SR	PR/SRs	40	4
GF Documents and Procedures			
Review GF primary documents and guidelines for each area as detailed in the PR self assessment tool	PR	17	6
Agree of any further shadowing or peer training with UNDP GIU	PR/UNDP	36	1
Training on GF processes and reporting requirements	PR/UNDP/GF	40	1
Develop and approve the Operations Manual for Implementation of GF Grants, aligning national and GF-specific requirements, and protocols across all functional areas (roles, structure, management, M&E, reporting, HR, finance, SR management, assets management, procurement, etc)	PR/UNDP/TA	37	6
Shadow the PUDR process step-by-step with June 2014 UNDP reporting, including LFA review	PR/UNDP	29	7
Financial Management			
Update the chart of accounts in compliance with GF reporting requirements; formalize in the Operations Manual	PR	23	4
Assess the functional capacity of the existing software to meet the GF needs	PR	31	2
Update the software to fit the financial management and reporting requirements of GF programmes (contract with IT company)	PR	40	2
Open a separate bank account for the grant	PR	39	2
Prepare the RFP and TORs for external audit of the PR and research any potential issues related to access to documents of the PR by the auditor	PR	47	4

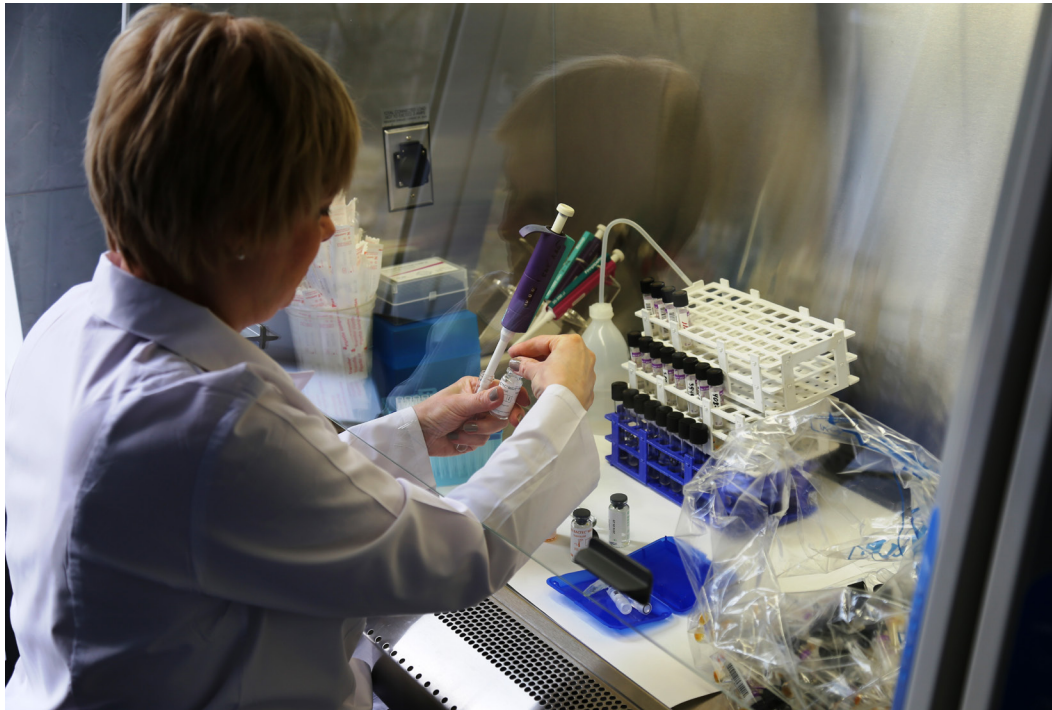
Monitoring and Evaluation			
Review M&E plan and data collection forms	PR	36	2
Participate in joint M&E field visits	PR/UNDP	43	4
Training on GF M&E and disease specific (HIV and TB) requirements	PR/?	40	2
Training on data analysis and triangulation	PR/?	40	2
Meet with each SR to understand and agree on reporting process	PR/SRs	21	2
Trainings on ensuring effective cooperation with SRs	PR/UNDP/?	48	2
Draft supervision plan	PR	40	4
Draft a communication protocol with CCM	CCM/PR	44	4
Procurement, adaptation and installation of a database which enables to provide generated reports basing on indicators	PR	40	8
Procurement			
Analyze restrictions related to procurement of pharmaceuticals and health products per the GF requirements	PR	20	4
Coordinate with UNDP and participate in forecasting, quantification and planning exercise for 2016	PR/UNDP	21	4
Procurement Training for new PSM staff	PR	23-31	1
Training on international patent law	PR/MoH	40	1
Support UNDP in registration, tax exemption procedures and QA activities as a part of transitory PSM process PSM	PR/UNDP	36	10

CAPACITY DEVELOPMENT OBJECTIVES

and Transition Milestones

Function	Capacity Development Objectives	Transition Milestones
Capacity Development	To further enhance the national systems to improve the performance of the Global Fund new Principal Recipient to strengthen the delivery of national HIV and TB Responses	The implementation of the first phase of the Capacity Development Plan achieving 90% of the deliverables by 15 January 2016. The full Capacity Assessment undertaken by the Global Fund shows that the PR complies with minimum standards, and the action plan developed under Capacity Assessment Tool (CAT) is completed by 30 November 2015.
Human Resources	To establish and staff a Grant Implementation Unit in the new Principal Recipient with the organogram and ToRs approved by the Global Fund.	90% of the positions in the new Principal Recipient Grant Implementation Unit approved Organogram are filled with suitable qualified and experienced staff by 31 August 2015.
Legal	To ensure requirements for contracting NGOs include; an SR agreement template with; annexes of the Performance Framework, Work Plan and Budget, for each nominated SR.	NGO SRs by 31 January 2016. SRs implemented at least 90% of the planned activities in Q1-Q2 of 2016, based on the first PU report, submitted by the PR on 15 August 2016
Documents and Procedures	To ensure coordination between the newly established national PR Grant Implementation Unit and the national coordination structures and systems (for planning and implementation).	Timely and accurate completion and submission of PU-DR by new national PR 31 August 2016.
Financial Management	To integrate national and Global Fund financial management and reporting requirements within one financial management system.	100% of financial reports being produced through the financial management system by government and NGOs in all Oblasts, with 95% submitted on time by August 2016.
Monitoring and Evaluation	To ensure a robust health information system which supports the delivery of health care by providing information that is required for measuring the performance of service delivery in each Oblast in the country.	Monitoring plans in place and being implemented in all Oblasts. Quality data being received from government and NGOs with 90% submitted on time by August 2016.
Procurement	To identify restrictions related to procurement of pharmaceuticals and health products per the Global Fund requirements and identify action plan.	Supply Chain management plans in place and being utilized for HIV and TB with a reduction in reported stock outs at a sub national level to X% by 31 December 2016.

CDP STEERING GROUP



To support the implementation of the CDP, a steering group will be put in place with focal points from RSPC MT and UNDP, led by the CD Coordinator. The task of this group will be to monitor progress on the CDP, propose any adjustments required in the CDP, verify the deliverables under the CDP against the set milestones, and report back to all stakeholders. This group will hold a monthly meeting.

The Capacity Development Plan has not been agreed and the steering group is being established to monitor progress as implementation gets underway.

26 June 2015.