



United States Department of State

Washington, D.C. 20520

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February 29, 2024

ACTION MEMO FOR AMBASSADOR GONZALES, ZAMBIA

FROM: GHSD – U.S. Global AIDS Coordinator,
Ambassador Dr. John Nkengasong

THROUGH: Benjamin Ryan Phelps, Chair
Ayibatari Burutolu, PEPFAR Program Manager

SUBJECT: COP23 YEAR 2 / Fiscal Year (FY) 2025 PEPFAR Planned Allocation

Dear Ambassador Gonzales,

To reach the global HIV/AIDS 2030 goals, it is critical that PEPFAR investments and activities are aligned with the unique situation of the partner countries we are supporting. This requires that we continue to work together to operationalize the PEPFAR Five-year Strategy, helping partner countries achieve or exceed the 95/95/95 HIV treatment targets by 2025, as well as provide a strong and sustainable public health infrastructure that can be leveraged to tackle current and emerging disease threats.

Last year, we responded to stakeholder input by launching improvements to the COP process to make it more fit-for-purpose. This year, with the COP23 two-year plan, country teams are to collaboratively perform a Midterm Review to assess progress towards achieving the goals stated in COP23; identify significant programmatic shifts required to achieve COP23 goals in YR2 and reach 95/95/95 by 2025; and review COP23 investments in strengthening and sustaining public health systems to identify priority areas for sustainability roadmap development discussions. We anticipate a reduced level of effort for our country teams through limited revisions to the FAST, PASIT, SRE, Target Setting Tool (TST), and Supply Planning Tools (SPT). Any changes to COP23 should focus on significant strategic shifts, leveraging data and discussions during the FY23 Q4 POART, with intent to maintain an inclusive process, use data for decision making, maximize partnership

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and interagency collaboration, and pursue program and policy priorities efficiently for maximum impact. This year we included OU Chair recommendations for programmatic improvement for COP23 Year 1 implementation (Table 4). Additional resources such as the GHSD performance analysis have been provided to teams to help identify areas for improvement for Zambia to reach 95/95/95.

As our teams conduct the Midterm Review, these six priority considerations should be top of mind: (1) Assess new data and adjust implementation accordingly; (2) address performance gaps through policy actions and policy implementation; (3) lean into systems strengthening to sustain the response; (4) prioritize impact for the 1st 95 and for youth; (5) promote innovation and modernization; and (6) enhance interagency coordination and consistency across partners. I shared details on these priorities in our recent COM call and the COP/ROP All Hands Launch call and all PCOs have these presentations.

Consistent with the approach from years past, PEPFAR teams will be responsible for setting their own targets across PEPFAR program areas in consultation with stakeholders and in consideration of any updated epidemiologic data including surveys and surveillance, PLHIV estimates, program results that require significant adjustment, and any new macro dynamics (e.g., social, political, economic, GF GC7) at the country level. PEPFAR targets are not PEPFAR's but flow directly from Zambia commitment to the U.N. Sustainable Development Goal (SDG) 3 target of ending the global AIDS epidemic as a public health threat by 2030 while also advancing interdependent SDGs. System gaps that inhibit achieving impact should be identified and addressed with a view to the systems improvements needed to sustain impact in the future.

Convening with our partners to review country programs is our most important collaborative act. I have full confidence in our highly skilled teams and their ability to guide the process for the Midterm Review, with governments, communities, civil society, faith-based organizations, and other partners continuing to assume a more active role. Our shared goal to end HIV/AIDS as a public health threat by 2030 should be the overarching motivation for all participants in the Midterm Review. As we proceed with the COP Midterm Review, we must all strive to uphold the PEPFAR Guiding Principles: respect/humility, equity, accountability/transparency, impact, and sustained engagement. We ask that teams engage the same discussants from the country that were invited to join the COP23 co-planning

meetings, ensuring that both the technical needs (health, finance) and political needs (foreign affairs, private sector) are well represented.

Creating a safe and healthy space for community/civil society engagement will continue to be an integral part of this process. In alignment with efforts by the U.S. government to support diversity, equity, inclusion, and accessibility as well as to advance equity for underserved communities and prevent and combat discrimination or exploitation based on race, religion, age, gender identity, or sexual orientation, PEPFAR will work to ensure that these principles are upheld, promoted, and advanced in all PEPFAR programs and in the manner we conduct business.

As a reminder, we established notional levels for this year's COP23 Year 2 process at the beginning of the last COP cycle, anticipating minimal changes assuming a relatively steady availability of resources for PEPFAR. However, upon compiling, finalizing, and reviewing our overall financial outlook for COP23 Year 2, we find it necessary to adjust those notional levels. These adjustments, primarily in the form of reductions totaling approximately \$120 million across the COPs, are essential due to continued decreases in available pipeline and prudent risk management amidst uncertainties in the appropriations process.

The PEPFAR COP23 **Year 2 budget for Zambia is \$367,000,000**, inclusive of all new funding accounts and applied pipeline. The \$1,200,000 allocated to the State/GHSD/PEPFAR TBD is cost savings identified by the USAID/WCF. During COP development, this funding should be programmed through interagency discussion and collaboration with the Chair and PPM.

Table 1: Total OU Funding

Op Div	Bilateral GHP-State	Central GHP-State	Bilateral GHP-USAID	Central GHP-USAID	GAP	Total New	Applied Pipeline	Year 2 TOTAL
DOD	\$9,492,652	\$-				\$9,492,652	\$702,550	\$10,195,202
HHS/CDC	\$110,933,537	\$-			\$2,412,531	\$113,346,068	\$2,434,600	\$115,780,668
HHS/HRSA	\$7,053,426	\$-				\$7,053,426	\$90,679	\$7,144,105
PC	\$1,729,409	\$-				\$1,729,409	\$3,026,974	\$4,756,383
USAID	\$58,886,229	\$-	\$23,300,000	\$-		\$82,186,229	\$21,669,065	\$103,855,294
USAID/WCF	\$117,917,319	\$-		\$1,440,000		\$119,357,319	\$1,915,084	\$121,272,403
State	\$183,006	\$-				\$183,006	\$-	\$183,006
State/AF	\$2,612,939	\$-				\$2,612,939	\$-	\$2,612,939
State/GHSD/PEPFAR	\$1,200,000	\$-				\$7,200,000	\$-	\$7,200,000
TOTAL FUNDING	\$310,008,517	\$-	\$23,300,000	\$1,440,000	\$2,412,531	\$337,161,048	\$29,838,952	\$367,000,000

Table 2: Congressional Directive Controls

	FY24	TOTAL
C&T	\$237,931,947	\$237,931,947
OVC	\$32,394,374	\$32,394,374
GBV	\$7,130,343	\$7,130,343
Water	\$450,000	\$450,000

**Only GHP-State and GHP-USAID will count towards the Care and Treatment and OVC earmarks*

***Only GHP-State will count towards the GBV and Water earmarks*

Table 3: Programmatic/Initiative Controls

	Bilateral	Central	TOTAL
Total Funding	\$365,560,000	\$1,440,000	\$367,000,000
Core Program	\$325,661,584	\$-	\$325,661,584
Cervical Cancer	\$5,793,000	\$-	\$5,793,000
Condoms (GHP-USAID Central Funding)	\$-	\$1,440,000	\$1,440,000
DREAMS	\$28,105,416	\$-	\$28,105,416
HBCU Tx	\$6,000,000	\$-	\$6,000,000

As in previous years, OUs may request limited changes to these controls working with their Chair/PPM and Management and Budget Liaison, who will work with GHSD leadership. Details of the control change request parameters and process will be distributed prior to the co-planning meetings. GHSD does not set a formal control for Community Led Monitoring (CLM); however, OUs must continue to

program appropriately for CLM and discuss shifts in CLM-funded levels during the Midpoint Review.

Table 4: Chair Recommendations for Programmatic Improvement in COP23-YR1

- Enhance interagency coordination and collaboration across Zambia’s regions to advance pathways for integration into government systems, with a focus on efficiencies that better position the PEPFAR program in Zambia to end HIV as a public health threat by 2030. In tandem with this interagency process, further advance Zambia's sustainability agenda by continually engaging civil society and the Government of Zambia in the development of a sustainability roadmap by World AIDS Day 2024. Such a roadmap should promote and facilitate the expansion of the administrative, financial, and technical capacities of governmental and institutional partners, and accelerate efforts to optimize, simplify and integrate efficient programs into Government of Zambia systems.
- Continue efforts to close remaining first 95 gaps across the clinical cascade to reach the 95-95-95 targets across all age, sex, and geographic disaggregate subpopulations by 2025. Efforts should be especially focused on the most pronounced gaps.
- Strengthen treatment continuity and reduce interruption in treatment by implementing person-centered strategies, providing transition support for pediatrics to adults, and reducing silent transfers.

Please note that within the next few days our GHSD Chairs and PEPFAR Program Managers (PPMs), working closely with our headquarters support teams, will review this planning letter and details contained herein, with your wider PEPFAR country team.

We look forward to engaging with you throughout the Midterm Review process and working with all partners to identify any significant strategic shifts needed to address the barriers that prohibit reaching 95/95/95 by 2025 through a lens of PEPFAR’s 5x3 strategic direction, aligned with your country’s national program.

Thank you for your continued leadership and engagement during the COP23 Midterm Review.

Sincerely,

John Nkengasong

CC: GHSD – Rebecca Bunnell, Principal Deputy Coordinator (A)
GHSD – Irum Zaidi, Deputy Coordinator
GHSD – Benjamin “Ryan” Phelps, Chair
GHSD – Ayibatari Burutolu, PEPFAR Program Manager
Zambia PCO – Francheskie Velez, PEPFAR Coordinator