United States Department of State

Washington, D.C. 20520

January 16, 2019

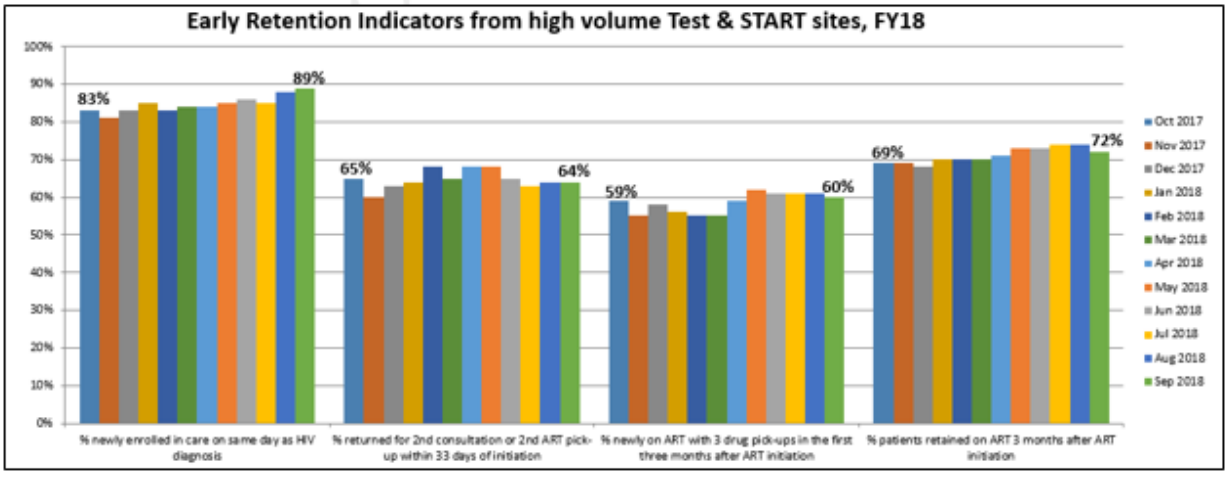
INFORMATION MEMO FOR CHARGÉ D'AFFAIRES, BRYAN HUNT, MOZAMBIQUE

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

SUBJECT: FY 2019 PEPFAR Planned Allocation and Strategic Direction

We are grateful to you, Chargé Hunt, for your engagement in planning, review and implementation, and with the community and the Government of Republic of Mozambique to enhance PEPFAR program impact. We are appreciative for your attention to core policy adoption and holding partners to account and performance for improved outcomes and greater impact. Finally we are grateful to your incredible PEPFAR staff in country, working together across agencies to ensure the most effective and efficient use of taxpayer dollars.

Over the past few years, PEPFAR Mozambique has shown a rapid increase of positives identified and PLHIV initiated on ART. The number of people on ART increased in the past three years, from 668,078 at the end of FY 2015 to 1,107,749 at the end of FY 2018 but with continued unacceptable poor retention dramatically impact treatment current impact. This is not a new problem but an issue raised each of the past three years without improvement. The data below, from the PEPFAR Mozambique team, show that despite additional efforts and significant funding over the last two years, there are systemic issues that have not been addressed and need further review and action. We see the extent of these challenges in the unacceptably high mortality rates, the highest for the size of the epidemic. As we remain focused on achieving epidemic control in Mozambique, we also must be diligent about saving Mozambican lives.



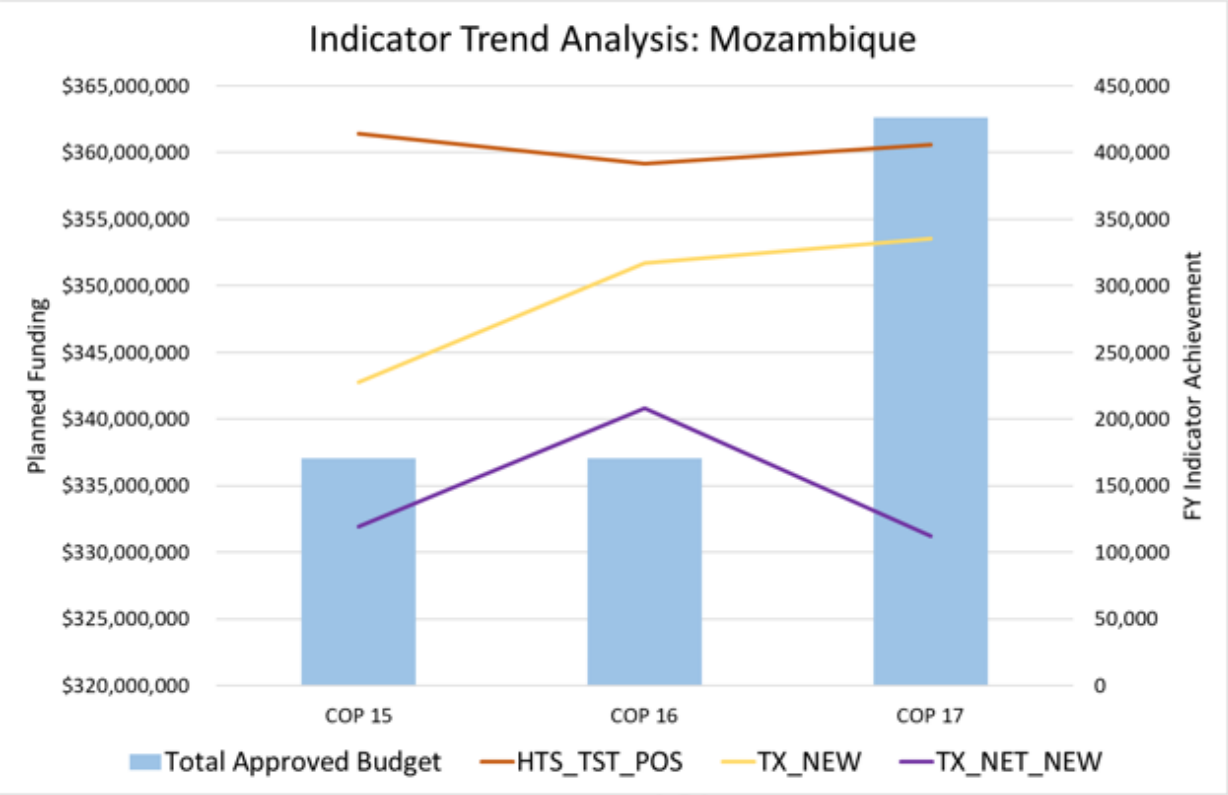
Mozambique continues to have a successful prevention program, performing more circumcisions than ever before and expanding an already strong DREAMS program. Based on the above

treatment and retention concerns, we would like PEPFAR Mozambique to focus attention during COP 2019 development and COP18 implementation on understanding the retention challenges at a site level, and plan interventions to show real impact on improving of patient outcomes. We expect a 25% increase in retention for 1 month and 3 months after ART initiation, while also improving retention for current clients at sites that have 50% of all patients by May 2019. To ensure this, prevention programs should be continued at the COP 2018 levels.

In FY 2018, Mozambique over-outlaid by $9.4 million of the total budget, with many implementing partners outlaying and spending beyond the approved COP 2017 planning level. Deeply concerning is the single agency USAID overspending at a completely unacceptable manner. If the other agencies had not under-outlaid the over outlay would have been over $34,000,000. This needs to be investigated immediately and corrected and we must see enhanced partner oversight of both performance and expenditures. All agencies, USAID, HHS/CDC, DOD, State/AF, and HRSA need to put in fiscal controls to ensure no implementing partner over-outlays their approved COP 2018 and COP 2019 budgets.

We have noticed a distinct difference in the engagement with the Mozambican government, in their willingness to adopt several key policies, including PrEP and self-testing, as well as the national adoption of Test and START. Even with these successes, we remain concerned on the pace of transition to dolutegravir, as well as the rollout of differentiated service delivery models to include six month drug dispensing. These two policies are critical to improvements in retention, and it is vital that I continue to push forward with a complete rollout in FY 19. We continue to appreciate all of the hard work done with your Front Office and all of the agencies in Mozambique to ensure that the national government policy align with the significant evidence base, to provide all Mozambicans living with HIV with the lifesaving treatment they need.

The U.S. President's Emergency Plan for AIDS Relief (PEPFAR) total planning level for Mozambique for the 2019 Country Operational Plan (COP 2019) is **$310,000,000**, inclusive of all new funding accounts and applied pipeline. An additional $90,000,000 is available, for a total of $400,000,000, but is contingent on a 25% increase in retention at 1 month and 3 months for newly initiated patients after ART initiation, while also improving retention for current clients at sites that have 50% of all patients by May 2019. Both of these improvements should translate to a NET_NEW that is nearly equal to the TX_NEW. As illustrated below, we have continued to increase United States Government investments in Mozambique with a failure in return on those investments.


Indicator Trend Analysis: Mozambique
$365,000,000
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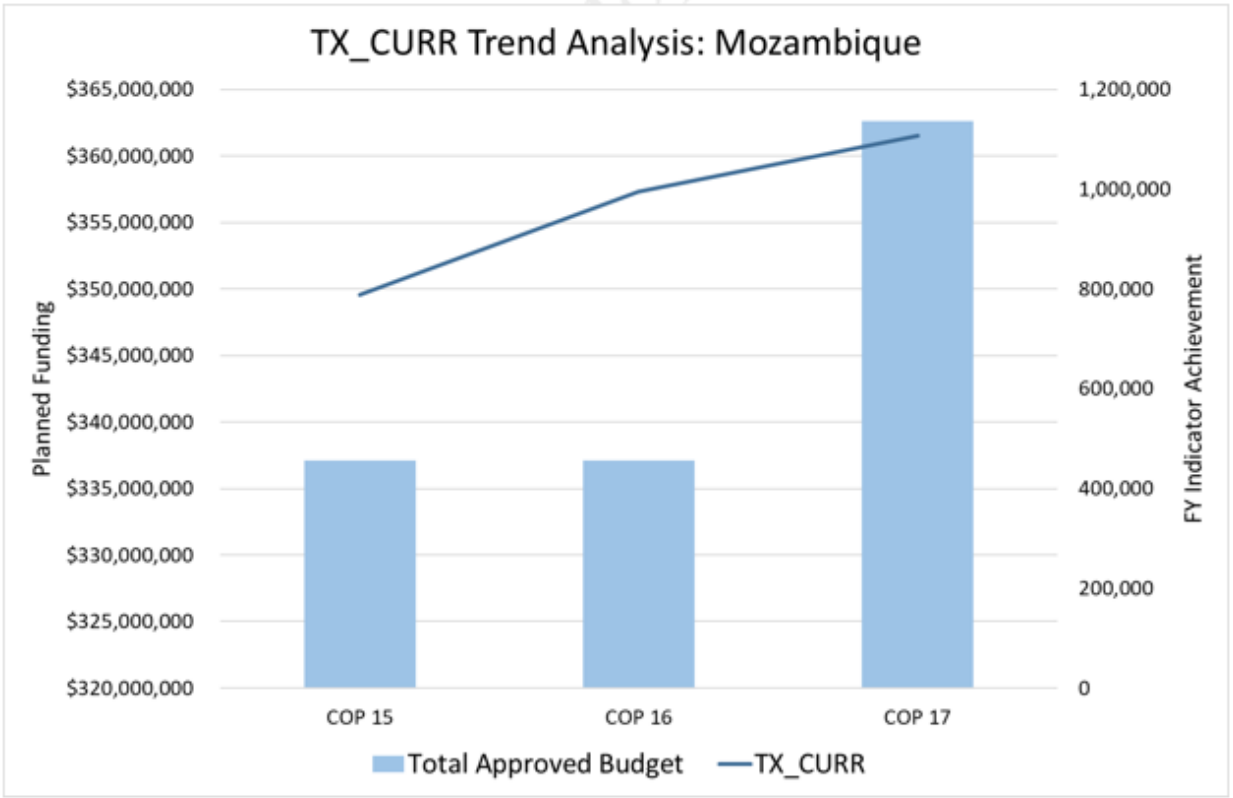
$335,000,000
$330,000,000
$325,000,000
$320,000,000
Planned Funding
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
FY Indicator Achievement
COP 15
COP 16
COP 17
Total Approved Budget
HTS_TST_POS
TX_NEW
TX_NET_NEW


TX_CURR Trend Analysis: Mozambique
$365,000,000
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$320,000,000
Planned Funding
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
FY Indicator Achievement
COP 15
COP 16
COP 17
Total Approved Budget
TX_CURR

If you have questions about the priorities and guidance laid out in this letter, please contact your Chair and Program Manager. My office is continually grateful for your team's work on the PEPFAR program, helping us to move towards an AIDS-free generation by supporting the HIV response in Mozambique.

APPENDICES:

1. **COP 2019 PLANNING LEVEL**
2. **COP 2019 BUDGETARY REQUIREMENTS & GUIDANCE**
3. **PAST PERFORMANCE**
4. **COP 2019 DIRECTIVES**

APPENDIX 1: COP 2019 PLANNING LEVEL

Based upon current analysis of spend levels, information submitted for the FY 2018 Q4 POART and performance information, the total COP 2019 planning level is estimated to be comprised as follows:

Table 1. COP 2019 Budget

Mozambique TOTAL COP 2019 PLANNING LEVEL: $310,000,000			
Total Base Budget for COP 2019 Implementation			**$ 310,000,000**
Total COP 19 New Funding	$	262,279,746	
of which, VMMC	*$*	*39,830,189*	
of which, DREAMS	*$*	*10,195,770*	
Total Applied Pipeline	$	47,720,254	

**Funding for the VMMC program must be at least the amount noted here; however, this total can come from both new and pipeline funds.*

Table 2. Applied Pipeline

MOZAMBIQUE	
COP 2019 APPLIED PIPELINE BY AGENCY	
Total Applied Pipeline	**$47,720,254**
DOD	$ 272,510
HHS/CDC	$44,931,697
HHS/HRSA	$ 139,236
PC	$ 1,104,666
USAID	$ 1,272,145

**Based on agency reported available pipeline from EOFY*

All planning levels are subject to further adjustment, **based upon appropriations**, further analysis determining the availability of excessive pipeline, and other developments during the course of COP 2018 implementation and the COP 2019 review process. The total spend in the implementation of COP 2019 (FY 2020) may not exceed the total COP 2019 planning level of $310,000,000.

APPENDIX 2: COP 2019 BUDGETARY REQUIREMENTS

Table 3. COP 2019 Earmarks

Mozambique COP 2019 EARMARK REQUIREMENTS	
Care and Treatment (C&T)	$ 162,613,443
% of base funds allocated to C&T	*62%*
HKID	$ 13,113,987
Gender Based Violence (GBV)	$ 3,287,967
Water	$ 600,000

Care and Treatment: If there is no adjustment to the COP 2019 new funding level due to an adjustment in applied pipeline, Mozambique's minimum requirement for the care and treatment earmark is reflected in the chart above. The care and treatment requirement is calculated as the sum of total new FY 2019 funding programmed to the HTXS, HTXD, HVTB, HBHC, PDTX, PDCS budget codes, 30% of the total funding programmed to the MTCT budget code, 80% of the total funding programmed to the HLAB budget code, and 30% of the total funding programmed to the HVCT budget code. This minimum care and treatment earmark has been derived based upon a requirement that your country programs a minimum of 62% of all **new FY 2019 Base Funds** to care and treatment of people living with HIV.

HKID Requirement: Mozambique's COP 2019 minimum requirement for the HKID budget code is reflected in the chart above. The COP 2019 HKID requirement is derived based upon the approved COP 2018 HKID level. The COP 2019 planned level of new funds for HKID can be above this amount; however, it cannot fall below it.

Gender Based Violence (GBV): Mozambique's COP 2019 minimum requirement for the GBV earmark is reflected in the chart above. The GBV earmark requirement is calculated as the total **new FY 2019** funding programmed to the GBV cross-cutting code. The COP 2019 earmark is derived by using the final COP 2018 GBV earmark allocation as a baseline. The COP 2019 planned level of new FY 2019 funds for GBV can be above this amount; however, it cannot fall below it.

Water: Mozambique's COP 2019 minimum requirement for the water earmark is reflected in the chart above. The water earmark requirement is calculated as the total **new FY 2019 funding** programmed to the water cross-cutting code. The COP 2019 earmark is derived by using the final COP 2018 water earmark allocation as a baseline. The COP 2019 planned level of new FY 2019 funds for water can be above this amount; however, it cannot fall below it.

Transitioning HIV Services to Local Partners: To sustain epidemic control, it is critical that the full range of HIV prevention and treatment services are owned and operated by local institutions, governments, and organizations – regardless of current ARV coverage levels. The intent of the transitioning to local partners is to increase the delivery of direct HIV services, along with non-direct services provided at the site, and establish sufficient capacity, capability, and durability of

these local partners to ensure successful, long-term local partner engagement and impact. This action is a priority for all OUs, Regional Programs and Country Pairs. PEPFAR has set a 70% goal **by agency** by the end of FY20, and must meet 40% by FY19. Each country has to contribute to this goal based on the context of the local partner mix and types of public and private partners available to provide essential services. Therefore, each agency in Mozambique should work with their respective agency HQ in determining their contribution in meeting the agency level local partner requirement for FY20 as appropriate through their COP 2019 submission.

COP 2019 Applied Pipeline

All agencies in Mozambique should hold a 3 month pipeline at the end of COP 2019 implementation in order to ensure sufficient funds and prevent disruptions in service delivery in the event of funding delays. Any agency that anticipates ending COP 2018 implementation (end of FY 2019) with a pipeline in excess of 3 months is required to apply this excessive pipeline to COP 2019, decreasing the new funding amount to stay within the planning level.

The Applied Pipeline amount of $47,720,254 given by S/GAC as a part of the COP 2019 planning level has been calculated to reflect the projected excessive pipeline as of the beginning of the COP 2019 implementation cycle (FY 2020), and is the minimum amount that Mozambique must apply as pipeline in the COP 2019 submission. The distribution of new base funds and Applied Pipeline was calculated to ensure 3 months of pipeline remains with mechanisms, based upon the financial data submitted for the FY 2018 Q4 Obligation and Outlay and FY 2018 End of Fiscal Year (EOFY) reports. Expired funds, funds on expired mechanisms and projected FY 2019 outlays as submitted in the EOFY report were all taken into consideration to inform the projected excessive pipeline and the required COP 2019 applied pipeline amount.

Unliquidated obligations on closed mechanisms identified in the FY 2018 EOFY report should be de-obligated in a timely manner. This will continue to be monitored throughout FY 2019 (COP 2018 implementation) and into COP 2019.

APPENDIX 3: PAST PERFORMANCE TRENDS

Table 4. COP 2017/ FY 2018 Outlays versus Approved Budget

Row Labels	Sum of Approved COP 2017 Planning Level	Sum of Total FY 2018 Outlays	Sum of Over/Under Outlays
Mozambique	**$ 368,569,223**	**$ 378,063,196**	**$ 9,493,973**
DOD	$ 7,092,160	$ 5,646,957	$ (1,445,203)
HHS/CDC	$ 192,238,481	$ 187,529,069	$ (4,709,412)
PC	$ 3,120,842	$ 2,542,123	$ (578,719)
State	$ 3,723,884	$ (14,196,653)	$ (17,920,537)
USAID	$ 162,393,856	$ 196,541,700	$ 34,147,844
Grand Total	**$ 368,569,223**	**$ 378,063,196**	**$ 9,493,973**

** State obligations and outlays have not yet been reconciled and the numbers in this table may change based on reconciliation.*

Mozambique's total FY 2018 outlay level of $378,063,196 is over the approved spend level of $368,569,223 (COP 2017 budget). Within this total, USAID spent above their approved FY 2018 budgets and HHS, State, DOD, and Peace Corps spent below their approved level. This must be addressed in writing to S/GAC within 4 weeks but an explanation as well as the corrective action undertaken. Partner level over-outlays yet considerable underperformance by those same partners is unacceptable.

Table 5. IP FY18 Outlays

***** *This table was based off the FY18 EOFY submissions, but edited to reflect OPU's as of January 15th, 2019. Agencies outlaid to the following Implementing Mechanisms 125% or more in excess of their COP17 approved planning level.*

Mech ID	Prime Partner	Funding Agency	COP17/FY18 Budget (New funding + Pipeline + Central)	Actual FY18 Outlays ($)	Over/Under FY18 Outlays (Actual $ - Total COP17 Budget $)
9564	American Society of Clinical Pathology	HHS/CDC	$ 1,136,733	$ 1,823,150	$ 686,417
9818	Association of Public Health Laboratories	HHS/CDC	$ 456,394	$ 1,172,639	$ 716,245
10971	U.S. Department of Defense (Defense)	DOD	$ -	$ 340,736	$ 340,736
12165	Health Alliance International	USAID	$ 102,205	$ 159,158	$ 56,953
12648	United States Pharmacopeia	USAID	$ -	$ 274,485	$ 274,485
12681	JEMBI	HHS/CDC	$ 79,950	$ 726,563	$ 646,613
12702	University of California at San Francisco	HHS/CDC	$ 1,591,744	$ 4,285,958	$ 2,694,214
13206	Elizabeth Glaser Pediatric AIDS Foundation	HHS/CDC	$ -	$ 1,358,520	$ 1,358,520
13313	Regional Procurement Support Office/Frankfurt	State/AF	$ -	$ 1,791,342	$ 1,791,342
14639	EUROSIS - Cosultoria e Formacao em Gestao, Lda	USAID	$ -	$ 128,698	$ 128,698
14670	Foundation for Community Development, Mozambique	USAID	$ -	$ 99,822	$ 99,822
14732	FHI 360	USAID	$ -	$ 208,086	$ 208,086

14792	ISCISA- Superior Institution of Health Sciences	HHS/CDC	$ -	$ 158,603	$ 158,603
16900	FHI 360	USAID	$ -	$ 8,610	$ 8,610
17104	ICF Macro	USAID	$ 159,900	$ 350,000	$ 190,100
17169	John Snow Inc (JSI)	USAID	$ 632,023	$ 948,463	$ 316,440
18099	FHI 360	USAID	$ -	$ 630,461	$ 630,461
18104	Management Systems International	USAID	$ -	$ 25,950	$ 25,950
18110	African Health Profession Regulatory Collaborative for Nurses and Midwives	HHS/CDC	$ -	$ 423,670	$ 423,670
18275	John Snow Inc (JSI)	USAID	$ 5,496,084	$ 8,489,683	$ 2,993,599
18282	Chemonics International	USAID	$ 57,480,018	$ 73,673,844	$ 16,193,826
18336	Catholic Relief Services	USAID	$ 390,000	$ 967,487	$ 577,487
18367	Right To Care, South Africa	USAID	$ 1,131,720	$ 1,908,907	$ 777,187
18429	TBD	HHS/CDC	$ -	$ 258,880	$ 258,880
18454	African Society for Laboratory Medicine	HHS/CDC	$ 191,880	$ 400,000	$ 208,120
18456	FHI 360	USAID	$ -	$ 464,098	$ 464,098
18466	Population Council	USAID	$ -	$ 56,344	$ 56,344

Table 6. COP 2017/ FY 2018 Results versus Targets*

** Financial and target performance data not a one-to-one correlation as program classification expenditures encompass more than those towards indicator/target presented.*

Agency	Indicator	FY18 Target	FY18 Result	% Achievement	Program Classification	FY18 Expenditure	% Service Delivery
HHS/CDC	HTS_TST	4,579,063	5,571,741	121.68%	HTS	$19,341,628	46%
	HTS_TST_POS	322,692	282,716	87.61%			
	TX_NEW	272,745	239,604	87.85%	C&T	$99,033,929	36%
	TX_CURR	898,473	820,996	91.38%			
	VMMC_CIRC	256,292	233,069	90.94%	PREV: CIRC	$18,874,957	97%
	OVC_SERV	N/A	N/A	N/A	SE for OVC	$0	0%
					Above Site Programs	$23,692,158	
					Program Management	$38,325,924	
DOD	HTS_TST	24,984	122,706	491.14%	HTS	$152,970	100%
	HTS_TST_POS	6,002	6,235	103.88%			
	TX_NEW	4,701	4,270	90.83%	C&T	$4,006,581	100%
	TX_CURR	13,916	13,953	100.27%			
	VMMC_CIRC	27,527	30,609	111.20%	PREV: CIRC	$1,851,243	100%
	OVC_SERV	N/A	N/A	N/A	SE for OVC	$0	0%
					Above Site Programs	$0	
					Program Management	$1,121,891	
HRSA	HTS_TST	N/A	N/A	N/A	HTS	$399,989	100%
	HTS_TST_POS	N/A	N/A	N/A			

	TX_NEW	N/A	N/A	N/A	C&T	$1,413,246	9%
	TX_CURR	N/A	N/A	N/A			
	VMMC_CIRC	N/A	N/A	N/A	PREV: CIRC	$788,649	100%
	OVC_SERV	N/A	N/A	N/A	SE for OVC	$102,544	100%
					Above Site Programs	$687,382	
					Program Management	$1,484,358	
Peace Corps	HTS_TST	N/A	N/A	N/A	HTS	$0	0%
	HTS_TST_POS	N/A	N/A	N/A			
	TX_NEW	N/A	N/A	N/A	C&T	$0	0%
	TX_CURR	N/A	N/A	N/A			
	VMMC_CIRC	N/A	N/A	N/A	PREV: CIRC	$0	0%
	OVC_SERV	350	2,718	776.57%	SE for OVC	$0	0%
					Above Site Programs	$0	
					Program Management	$149	
State/AF	HTS_TST	N/A	N/A	N/A	HTS	$0	0%
	HTS_TST_POS	N/A	N/A	N/A			
	TX_NEW	N/A	N/A	N/A	C&T	$0	0%
	TX_CURR	N/A	N/A	N/A			
	VMMC_CIRC	N/A	N/A	N/A	PREV: CIRC	$0	0%
	OVC_SERV	3,918	3,047	77.77%	SE for OVC	$253,686	100%
					Above Site Programs	$1,791,342	
					Program Management	$265,877	
USAID	HTS_TST	1,842,189	2,513,374	136.43%	HTS	$16,598,934	90%
	HTS_TST_POS	131,008	116,904	89.23%			
	TX_NEW	97,731	91,596	93.72%	C&T	$100,142,360	86%
	TX_CURR	349,741	272,800	78.00%			
	VMMC_CIRC	120,470	107,579	89.30%	PREV: CIRC	$9,906,050	91%
	OVC_SERV	434,617	345,872	79.58%	SE for OVC	$9,737,435	56%
					Above Site Programs	$13,071,247	
					Program Management	$33,292,345	

COP 2017/ FY 2018 Performance

In FY 2018, PEPFAR/Mozambique did not achieve the TX_CURR target (87.8% achievement). More concerning, the Mozambique program initiated 335,470 people on ART (89.4% TX_NEW achievement) but only reported a NET_NEW of 112,020. This means more than 220,000 individuals were lost in only 12 months, which is unacceptable and must be corrected during COP 2018 execution.

- Mozambique also significantly over-tested this FY, by testing 25% more people than in FY 2017, and finding only 4% more positives and achieving 88.8% of the HTS_TST_POS target.

- The OVC program also underperformed, by reaching 80.1% of OVC_SERV target, and reporting that 118,029 orphans and vulnerable children exited the OVC program in FY 18 without graduating.

HTS_TST_POS		TX_NEW		TX_CURR	
Implementing Partners	**Underperformance**	**Implementing Partners**	**Underperformance**	**Implementing Partners**	**Underperformance**
Elizabeth Glaser Pediatric AIDS Foundation	56%	Elizabeth Glaser Pediatric AIDS Foundation	67%	FHI 360	78%
Fundacao ARIEL Contra a SIDA Pediatrica	64%	Vanderbilt University	74%	Center for Collaboration in Health	85%
Vanderbilt University	80%	Fundacao ARIEL Contra a SIDA Pediatrica	81%	Elizabeth Glaser Pediatric AIDS Foundation	89%
		Center for Collaboration in Health	87%		

NET_NEW		OVC_SERV	
Implementing Partners	**Achieved**	**Implementing Partners**	**Underperformance**
Center for Collaboration in Health	4%	World Education	70%
FHI 360	10%		
Elizabeth Glaser Pediatric AIDS Foundation	49%	FHI 360	83%
Fundacao ARIEL Contra a SIDA Pediatrica	66%		

**underperformance = <90% target achievement*

Clinical Implementing Partners- satisfactory performance

- **ICAP**, funded by HHS/CDC, reported high rates of EID positivity in Nampula province, possibly as a result of poor maternal retention on ART. ICAP achieved the targets for HTS_TST_POS (139% achievement), TX_NEW (136% achievement), and TX_CURR (98% achievement), while spending 93% of the total approved budget.

Clinical Implementing Partners- need improvement

- **EGPAF**, funded by HHS/CDC, did not achieve the targets for HTS_TST_POS (56% achievement) despite overspending on testing (100% of HTS expenditure) and spending 109% of the total approved budget. EGPAF also did not achieve the target for TX_NEW (67%) in FY 18. This is the second consecutive year that EGPAF did not achieve targets for HTS_TST_POS and TX_NEW, despite receiving additional funding in COP 2017.
- **Ariel**, funded by HHS/CDC, did not achieve the targets for HTS_TST_POS (64% achievement) despite overspending on testing (367% of HTS expenditure) and spending 159% of the total approved budget. Ariel also did not achieve the target for TX_NEW (81%) in FY 18. This is the second consecutive year that Ariel did not achieve targets for HTS_TST_POS and TX_NEW.
- **FHI 360**'s CHASS project, funded by USAID, did not achieve the target for TX_CURR (78% achievement) in FY 18. The NET_NEW for CHASS in Manica, Niassa, Sofala, and Tete provinces was 4,936, despite a TX_NEW of 83,338 in those provinces. CHASS spent 123% of the total approved budget.

- **Center for Collaboration in Health**, funded by HHS/CDC, did not achieve the target for TX_NEW (87% of achievement) and TX_CURR (85% of achievement), despite spending 100% of the total approved budget.
- **FHI 360**'s HIS-KP project, funded by USAID, reported very low yields for the FSW and MSM populations, lower than the general population in Mozambique.

OVC Implementing Partners- need improvement

- **FHI 360**'s CoVIDA project, funded by USAID, did not achieve the target for OVC_SERV (83% achievement), despite spending 100% of the total approved budget. This was the second consecutive year of underperformance.
- **WEI**, funded by USAID, did not achieve the target for OVC_SERV (70% achievement), despite spending 210% of the approved budget.

VMMC Implementing Partners- satisfactory performance

- **ICAP**, funded by HHS/CDC, achieved targets for VMMC_CIRC (111% of achievement), while spending 93% of the total approved budget.
- **JHPIEGO**, funded by DOD, achieved targets for VMMC_CIRC (111% achievement), while spending 109% of the total approved budget.

VMMC Implementing Partners- need improvement

- **JHPIEGO**, funded by HHS/CDC, did not achieve the target for VMMC_CIRC (83% achievement), despite spending 109% of the total approved budget.
- **JSI**'s AIDS Free project, funded by USAID, did not achieve the target for VMMC_CIRC (89% achievement), despite spending 126% of the total approved budget.

APPENDIX 4: COP 2019 DIRECTIVES

Table 7. COP 2019 (FY 2020) Targets

Based on current progress towards epidemic control and funding level, the following FY 2020 treatment targets are recommended for Mozambique:

Indicator	Pediatric (<15) Target	Adult (15+) Target	Target Total[a]
COP 18 (FY 19 Targets)			
TX_NEW (New on Treatment)	20,828	271,698	292,526
TX_CURR (Current on Treatment)	93,563	1,306,803	1,400,366
TB_PREV	N/A	N/A	271,721
VMMC_CIRC	N/A	430,947	430,947
COP 19 (FY 20 Targets)			
TX_NEW (New on Treatment)	20,828	271,698	292,526
TX_CURR (Current on Treatment)	114,391	1,578,501	1,692,892
TB_PREV	N/A	N/A	465,095
VMMC_CIRC	N/A	405,000	405,000

[a]Targets should be further allocated by age and sex based on disaggregated PLHIV estimates and unmet need for ART.

These targets were developed based on the following assumptions:

- TX_NEW: 90% of facility based HTS_TST_POS results were used from FY 2018 for a baseline targets for FY 2019 and FY 2020.
- TX_CURR: These revised COP 2018 TX_NEW targets were added to TX_CURR to generate revised COP 2018 TX_CURR targets. The COP 2019 TX_NEW were then added to the revised COP 2018 TX_CURR target to generate a COP 2019 TX_CURR target.
- We expect you to limit testing to targeted testing in the facility context where individuals have been screened for clinical symptoms that suggest risk of HIV, index testing of these newly diagnosed patients, and ANC and KP programs. Efforts in the remainder of COP 2018 and for COP 2019 need to focus on linkage and retention of all diagnosed PLHIV.
- TB_PREV: Targets for TB_PREV were calculated using the estimated number of patients expected to be on ART at the start of COP 2019 who would screen negative for TB symptoms, the proportion likely to be ineligible for clinical reasons, the estimated number who would have already received TPT by the start of COP 2019 and projected enrollment and completion rates.
- VMMC_CIRC: Targets for VMMC were developed based on current coverage, past performance, and available funding for prevention activities.

Given the lack of linking and retaining new and current ART patients, some COP 2018 funds will need to be preserved by not scaling during the improvement period. Accordingly, FY 2019 treatment targets have been temporarily adjusted downward. The expectation is that only facility-based testing will continue during the improvement period. As fewer positives will now need to be diagnosed during COP 2018 implementation, a minimum of 30% of the testing budget from COP 2018 should be saved and applied as pipeline to use in COP 2019. This should be incorporated into pipeline amount determinations for the implementing partners who conduct testing in COP 2018 and COP 2019.

PEPFAR Mozambique needs to spend the COP 2019 development period, analyzing, reviewing, and implementing programs to solve the retention and viral load suppression challenges during this current year. COP 2019 planning should focus on the improvement of quality of care to patients, which will result in increased retention and better availability and use of viral load tests. Therefore, the targets, budgets, and activities for the PMTCT, KP, OVC, DREAMS, and VMMC programs should carry forward at the COP 2018 levels.

COP 2019 Minimum Requirements

All PEPFAR programs – bilateral, regional, and country pairs – are expected to have the following minimum program requirements no later than the beginning of COP 2019 implementation (FY 2020). Adherence to these policies and practices are essential to the success of all PEPFAR programs at the national, subnational, community, and service delivery levels. Evidence demonstrates that lack of any one of these policies/practices significantly undermines progress to reaching epidemic control and results in inefficient and ineffective programs. Failure to meet any of these requirements by FY 2020 will result in reductions to the Mozambique budget.

Table 8. Minimum Requirements

Minimum Requirement	Mozambique Specific Guidance (if applicable in COP18 or COP19)
1. Adoption and implementation of Test and Start with demonstrable access across all age, sex, and risk groups.	Mozambique has adopted a national Test and Start policy, and should be reflected in the SDS.
2. Adoption and implementation of differentiated service delivery models, including six month multi-month scripting (MMS) and delivery models to improve identification and ARV coverage of men and adolescents.	SDS should outline strategic for increased differentiated service delivery models and tracking of patient utilization. SDS should also detail how Mozambique will go from 3 month to 6 month drug dispensation.
3. Completion of TLD transition, including consideration for women of childbearing potential and adolescents, and removal of Nevirapine based regimens.	SDS must include details on how this requirement will be achieved and how TLD will be offered beyond men and post-menopausal women.
4. Scale up of Index testing and self-testing, and enhanced pediatric and adolescent case finding, ensuring consent procedures and confidentiality are protected and monitoring of intimate partner violence (IPV) is established.	Testing in COP 2019 should be passive facility testing and index case testing for newly identified positives.
5. TB preventive treatment (TPT) for all PLHIVs must be scaled-up as an integral and routine part of the HIV clinical care package.	TPT is a crucial part to quality HIV care, therefore the SDS must include details on how will requirement will be achieved.

6. Direct and immediate (>95%) linkage of clients from testing to treatment across age, sex, and risk groups.	COP19 IP work plans need to reflect fidelity to this minimum requirement.
7. Elimination of all formal and informal user fees in the public sector for access to all direct HIV services and related services, such as ANC and TB services, affecting access to HIV testing and treatment and prevention.	This is not a barrier to care in Mozambique and should be reflected in the SDS.
8. Completion of VL/EID optimization activities and ongoing monitoring to ensure reductions in morbidity and mortality across age, sex, and risk groups.	PEPFAR Mozambique should continue work from COP 2018 to ensure optimization continues.
9. Monitoring and reporting of morbidity and mortality outcomes including infectious and non-infectious morbidity.	PEPFAR Mozambique must work with HQ ISMEs to ensure tracking of TX_MLFU indicator per guidance.
10. Alignment of OVC packages of services and enrollment to provide comprehensive prevention and treatment services to OVC ages 0-17, with particular focus on adolescent girls in high HIV-burden areas, 9-14 year-old girls and boys in regard to primary prevention of sexual violence and HIV, and children and adolescents living with HIV who require socioeconomic support, including integrated case management.	Given ongoing issues with retention for children and adolescents, SDS should include details on how OVC program is used to enhance pediatric and adolescent retention.
11. Evidence of resource commitments by host governments with year after year increases.	SDS should include details on how to increase domestic resources to HIV/AIDS response.
12. Clear evidence of agency progress toward local, indigenous partner prime funding.	Evidence must be provided in the SDS.
13. Scale up of unique identifier for patients across all sites.	Plan to scale must be indicated in SDS.

Table 9. Other Requirements

In addition to meeting the minimum requirements outlined above, it is expected that Mozambique will ensure appropriate progress towards viral load management.

Requirement	**Mozambique Specific Guidance (if applicable in COP18 or COP19)**
1. Viral load management: Country policy updated.	All viral load test results should be in charts and available to patients. SDS should include details on anticipated improvements in implementation throughout COP 18 and COP 19 before further scaling.

COP 2019 Technical Priorities

Tuberculosis

PEPFAR OUs are expected to offer Tuberculosis Preventive Treatment (TPT) as a routine part of HIV care, which means that all care and treatment partners are expected to offer TPT and report on it. Programs are expected to fully scale TPT over the next two years, such that all PLHIV who are on treatment and are eligible for TPT have received a course by the end of COP 2020. Therefore, the TB_PREV targets included in this letter were set as described above under the target table. For COP 2019, the number of patients that are expected to complete a course of TPT in OU is 465,095, approximately half the total number of eligible PLHIV, per the mandate from S/GAC to fully scale TPT over the next two years. COP 2020 TB_PREV targets will cover the remaining 50% of the eligible PLHIV on ART, adjusted upward for those that will be newly enrolled in ART during the COP 2019 implementation period. In order to ensure successful programming, it is expected that, at a minimum, $2,604,532 will be budgeted for TPT commodities.

DREAMS

Mozambique is allocated $10,195,770 funding for DREAMS (Determined, Resilient, Empowered, AIDS-free, Mentored, and Safe) programming in COP 2019, of which, $2,905,774 of your COP 19 HVAB budget code needs to be part of your DREAMS programming. This funding is allocated within your COP 2019 planning level and must be used exclusively for the goal of HIV Prevention among adolescent girls and young women (AGYW) in DREAMS SNUs in accordance with all DREAMS and COP 2019 Guidance. All new funding allocated to AGYW prevention programming, including DREAMS, must be allocated to the AGYW Prevention cross-cutting budget code.

Mozambique should continue to pursue private-sector engagement efforts mentioned during OGAC TDY to expand economic strengthening and bridge to employment. Team should intensify advocacy efforts around policy expansion for increased availability of PrEP for adolescent girls and young women in DREAMS districts. Based on Mozambique's low age of first pregnancy, PEPFAR Mozambique should intensify efforts around preventing early pregnancy given the prevalence of sexual violence, economic vulnerability, and increased risk of HIV acquisition.

VMMC

Mozambique is allocated $39,830,189 funding for VMMC. As with COP 2018, your total COP 2019 allocation to the CIRC budget code is included in your COP funding determined in this letter. VMMC funding must be used exclusively to support the implementation of VMMC programs in males 10 years and older as pursuant with the CIRC budget code guidance, including the minimum package of clinical and prevention services which must be included at every VMMC delivery point, circumcisions supplies and commodities, communication and demand creation, training, and case finding and linkages for high-risk men.

Mozambique's total VMMC target for COP 2019 is 405,000 and a minimum of 230,850 circumcisions should be done in men over age 14.

	COP19					
	target	**Total $**	**VMMC coverage 15-24**	**VMMC coverage 15-49**	Minimum % 15+	Minimum VMMC in 15+
Mozambique	405,000	$ 39,830,189	66	47	57	230,850

Cervical Cancer Screening and Treatment:

Alongside COP 2018, Mozambique was allocated a total of $5,700,000 in two-year Central Funds for Cervical Cancer Screening and Treatment programming. These Central Funds were provided in order to reduce morbidity and mortality of women on ART in Mozambique by increasing the screening of HIV positive women for cervical cancer and the treatment for pre-invasive cervical lesions. The COP 2019 target for screening HIV positive women for cervical cancer is 228,837, calculated as 50% of women 25-49 on treatment per the number of women on ART for the 25-49 year old age band in Mozambique at the end of COP 2017 / FY 2018 implementation period.

Technical and programmatic priorities for Mozambique

- As stated above, the COP 2019 focus must be on improving the quality of care and patient tracking at the sites, with an ultimate goal of 90% retention. Therefore, activities should focus on detailed assessments at the site level, at the highest volume sites with 50% of patients, to assess reasons for loss to follow up and ways to remedy this. PEPFAR Mozambique should come to meetings in Johannesburg prepared to show detailed data on problem diagnoses and solutions that are underway. Using FY 18 Q4 as the baseline, we expect to see a 25% increase in retention at 1 month and 3 months for newly initiated patients after ART initiation, while also improving retention for current clients at sites that have 50% of all patients by May 2019. Both of these improvements should translate to a NET_NEW that is nearly equal to the TX_NEW.
    - Detailed assessments should also focus on patient friendly services and accessibility at sites with the highest loss to follow-up. Interrogate reasons why loss is occurring, and consider employing mystery patients.
- Based on the data provided by PEPFAR Mozambique, in FY 18 623,888 viral load tests were done, but only 369,357 patient charts had a result recorded. It is unacceptable for only 59% of the viral load tests to be returned to the patient. A further review of the systems that have programmatic and logistic gaps to viral load test returns is critical for COP 2018 implementation and COP 2019 planning.
- Given the need to focus on improving retention, scaling of all testing should be paused effective immediately. New positives should be identified through passive testing at facilities and index case testing of those newly identified positives. Any resources needed for testing will need to be found from savings identified in the review of Table 6.

- Retention rates among pregnant and breastfeeding women (PBFW) are also unacceptably low, and the same problem diagnoses must be done in the PMTCT settings at the highest volume sites with 50% of positive pregnant women.
    - A plan for use of point of care testing of viral load for PBFW should be developed, to support viral load suppression in PBFW.
    - Continue optimization of POC/EID to increase EID availability.
- The VMMC program should be maintained at COP 2018 levels, with a continued focus on saturation of men aged 15-29 years in highest burdened districts.
- In FY18, Mozambique's OVC portfolio achieved only 80% of the OVC_SERV target for all ages, and even less for children under age 18 at 54% of targets achieved. While dramatic improvements are required in the current fiscal year, the team should outline in the SDS their plan to ensure targets are achieved in FY20.
    - Additionally, 118,029 orphans and vulnerable children exited the OVC program in FY 18 without graduating, and due to systems limitations, I cannot see which implementing partner was affected. The PEPFAR/Mozambique program must identify the cause for this exit without graduation and remediation actions put into place to ensure maintenance of the OVC cohort that receive high quality services.
    - The OVC program should be maintained at COP 2018 levels.
- The Key Populations program should be maintained at COP 2018 levels. Efforts should be made to ensure the KP program is targeting the appropriate populations for testing and linking KPs to treatment in a cost effective manner.
- The DREAMS program should be maintained at COP 2018 levels and not expanded into any further districts.
- A careful review of Table 6 activities is needed and activities should be aligned to supporting retention, scale-up of differentiated service delivery models, quality improvement, and TPT scale-up. Any resources needed for testing will need to be found from savings identified in the review of Table 6.
- In light of the programmatic adjustments needed in COP 2019, the budget for CODB should not exceed the outlays for CODB in COP 2017 / FY 18.
- PEPFAR Mozambique as an operating unit and many implementing partners have over-outlaid two years in a row. Agencies must ensure current year spending does not exceed COP 2018 and 2019 spending envelopes, by partner, by agency, by country.

COP 2019 Stakeholder Engagement

Sustained control of the HIV/AIDS epidemic necessitates that PEPFAR teams actively and routinely coordinate and communicate with all partners, including local, regional and international civil society and community stakeholders, multilateral partners and the host country government. With your leadership, PEPFAR is leading the way in facilitating transparent processes and in sharing data and results. Continued meaningful engagement with these groups throughout the development and implementation of COP 2019 remains a requirement for all PEPFAR programs, and as such the COP 2019 process will engage with stakeholders early and frequently. This engagement specifically includes the sharing of FY 2018 Q4 and FY 2018 APR results and analyses and the convening of an in-country planning retreat with local stakeholders no later than the week of January 28, 2019 in order to introduce and discuss all COP 2019 tools,

guidance, results and targets as well as the proposed trajectory and strategy for COP 2019. In February, initial COP tools will be submitted to S/GAC for review and feedback. S/GAC will provide feedback prior to the in-person meetings in March and April, and teams should reflect the feedback with their revised submissions. It is critical that meaningful involvement of civil society and community input is solicited and incorporated in every step of the process. In alignment with sustained control of the epidemic, the intentional outreach and inclusion throughout this process of civil society and community organizations that directly work with key and priority populations should be a priority of the PEPFAR field team.

In March 2019, PEPFAR will convene in-person meetings in Johannesburg, South Africa, where outstanding decisions will be discussed and finalized. In addition to host-country representatives, the meetings will also include representatives from local and international civil society and community organizations and multilateral partners. Engagement with all stakeholders is required beyond the meetings and throughout the COP 2019 development and finalization process. As in COP 2018, the draft Strategic Direction Summary (SDS) and Data Pack are required to be shared with stakeholders for their input and comments at least 72 hours prior to submission of these materials to the Embassy Front Office. Please refer to the COP 2019 Guidance for a full list of requirements and engagement timelines (Section 2.5.3).