MEORANDUM FROM SECRETARY CLINTON August 22, 2012

RELEASE IN FULL

TO:

Eric Goosby

Ambassador-at-Large

President's Emergency Plan for Aids Relief (PEPFAR)

Rajiv Shah Administrator

United States Agency for International Development (USAID)

COPY:

Thomas Friedan

Director

Center for Disease Control

Agency and Department implementing officials

SUBJECT: Government-to-Government Mechanisms: Policy and Technical Guidance

I want to begin by thanking you for the tremendous work you, along with our partners at CDC, are doing to implement and grow the PEPFAR program, which is saving millions of lives. Since 2009, we have more than doubled the number of people who are receiving life-saving treatment and we also are reaching far more people with prevention, testing and counseling.

I just returned from visiting 10 countries across Africa. I saw up close the impact of our global health programs and the successes we are having through PEPFAR and the Global Health Initiative. PEPFAR and its USAID and CDC implementing partners are transforming not only the lives, but the health systems of many of our partner countries. And, our efforts are leading resolutely toward an aids-free generation.

While in South Africa, I signed a PEPFAR framework implementation agreement with the government that transitions USG leadership of the implementation of our PEPFAR programming to the South African government, over a period of 5 years. It represents a model of the future we seek – partnering with countries to grow their capacities so that they lead, manage and in the long-run, increasingly fund their own aids programs and health systems. I was very proud to witness the signing of this agreement, which reflected more than two years of progress.

Consistent with the President's Policy Directive on Development (PPD), the Quadrennial Diplomacy and Development Review (QDDR) and best practices, PEPFAR, USAID and CDC

share the goal of host governments growing and sustaining their own capacity to receive, manage and program both national and donor funds (government-to-government funding) in support of planning and executing their own country health programs. To be an effective partner in helping host countries achieve this goal, USG agencies in the global health space must operate pursuant to the <u>dual mandate</u> of: 1) saving more lives, <u>while</u> 2) building sustainable capacity and host country ownership/responsibility. Otherwise, the U.S. risks not making progress on the long road to sustainable health systems.

I appreciate the work that PEPFAR, USAID and CDC have done over the past several months to examine our current government-to-government funding mechanisms. We needed to both streamline and harmonize the burdens we place on host governments receiving USG funds for our health programs. Accordingly, this directive provides policy and technical guidance that challenges the PEPFAR implementing agencies to adapt existing practices and prevent duplication in the processes of PEPFAR, CDC and USAID as you execute, expand or transition government-to-government funding capacity. It recognizes the important mandate of building host country ministry capacities using government-to-government mechanisms and practices that, in the long run, become the foundation for host governments gaining their own capacity to plan, program and execute their country's health programs.

The actions this policy guides will only succeed with <u>strong and ecumenical leadership both in Washington and in the field</u> – leading in a transparent and collaborative interagency manner that puts the needs of host government ministries first in government-to-government engagements. Our achievements under this approach will be revealed through our individual and collective ability to modify existing practices to demonstrate a common approach, rather than an agency approach.

I know that Secretary Sebelius, who leads global health programs at HHS and CDC, shares the values that I am expressing in this memorandum; we have had our respective teams work closely in developing the attached policy guidance.

I appreciate the spirit of collaboration you and your respective teams brought to this effort. I look forward to your dissemination of the attached policy guidance and to your strong and unambiguous leadership, as the Global Aids Coordinator and USAID Administrator, as your teams implement this guidance immediately.