Geneva, 21 April 2026

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Plot No. 21
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P.O. Box 410
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South Sudan

Reference: SSD-C-UNDP-RP2-JM-2142026

Subject: SSD-C-UNDP Performance Letter for the period covering 1 January 2025 - 31 December 2025

Dear Dr. Abchir,

The Global Fund has reviewed the Progress Report for the period 1 January 2025 to 31 December 2025. This letter summarizes the key findings and actions to be undertaken by the United Nations Development Programme in South Sudan.

A. Annual Performance Rating

The table below outlines the Annual Performance Rating achieved:

Annual Performance Rating	B – 1
Programmatic Rating: *(rated period: 1 January 2025 – 31 December 2025)*	B
Financial Rating: *(cumulative rated period from beginning of the implementation period: 1 January 2025 – 31 December 2025)*	1

B. Performance Evaluation

Based on results achieved, please find below the Global Fund performance evaluation for the reporting period 1 January 2025 to 31 December 2025:

Programmatic Performance

The PR reported on a total of 18 coverage indicators (6 for TB, 7 for HIV, 3 TB/HIV and 2 for RSSH). This includes 2 new coverage indicators for GC7: TBDT-4 (% of TB patients tested with GeneXpert) and TB/HIV-7.1 (TB preventive treatment for people on ART). The performance varies between a low of 60% (TBDT-4) and a high of above 100% (most indicators related to ARV treatment and diagnosis of DR and DS TB). The average score is 98% (equivalent to a good or B score) for the 01 January to 31 December 2025 period. No downgrading is applied as there is no indicator with a score below 60%.

The DS-TB indicators performed in the range of above 100%. The number of notified cases for all forms of TB continues its excellent performance. This confirms once again that the ambitious targets set during the 2024 grant revision are realistic. The number of notified TB cases increased from 14,137 (January to June 2025) to 15,207 (July to December 2025). The performance of the DR-TB indicators continues to be excellent (between 101% and 120%). The performance for the new TBDT-4 indicator (TB patients tested with GenXpert) remains stable and moderate with a score of 60%. In absolute numbers there has been an increase by 27% (from 5,278 in S1 of 2024 to 6,704 in S2 of 2025) for TBDT-4. This reflects the increased number of reported TB cases. The CT continues to encourage UNDP in its plan for close engagement with SRs to ensure improved performance of GenXpert related diagnosis of TB (given the catalytic investments received for the strengthening of laboratory services).

The performance of the RSSH/M&E and TB/HIV indicators continues to be good and excellent. The only exception is the 65% performance for the new TB/HIV-7 indicator (TB preventive treatment (TPT) for people on ART).

The performance of the HIV prevention and testing indicators is in the moderate to good range. The number of CSWs reached with HIV prevention services (KP-1c) increased in Semester 2 (July to December 2025) to the same level as in 2024. The drop in Semester 1 (January to June 2025) was linked to the PEPFAR stop work order (followed by suspension) for services at 6 PEPFAR supported high volume sites. A similar effect can be observed for the indicator for HIV testing services for CSWs.

The performance of the three ART indicators (TCS-1.1, 1b and 1c) continues to be excellent. A total of 87,917 people were on ART at the end of December 2025. This confirms that ambitious (yet realistic) targets were set during the grant revision in the first half of 2024. This performance means that the July 2026 target (87,500) reached 6 months early.

The results of this PUDR reaffirm the recent decision to increase the budget for medicines and commodities (HPM) as part of the year 3 savings and reprogramming revision. The results for key indicators for both HIV and TB continue to be well above 100%. An HIV/TB data spot-check is ongoing and will inform the year 3 quantification and final GC7 order for commodities. The CT encourages the PR, under the leadership of the MOH, to continue keeping a close eye on the quality of the data reported in DHIS2.

Please refer to the attached Performance Rating Tool for further details.

Health Product Management Performance

Health product management during the reporting period supported key programmatic gains, particularly in TB case detection and treatment initiation, driven by front loaded procurement of diagnostics and medicines. However, an overspend on diagnostics, distribution, and clearance costs, combined with delays in equipment and systems procurement, contributed to supply pressures affecting viral load testing and TPT coverage. Strengthened quantification, improved pipeline monitoring, timely approvals, and strategic reprogramming of savings are required to better align PSCM performance with programmatic priorities and sustain results in the next period.Overall, procurement execution was largely front-loaded, ensuring availability of critical HIV/TB commodities for scale up activities. Overspends were mainly a positive externality of the extra-efforts done during the period and were driven by:

- Rapid scale up of diagnostics and treatment following updated guidelines.
- Higher-than-planned consumption linked to improved case finding and higher DR TB enrolment.

Some of the challenges noted include.

- Delays in procurement and deployment of:
    - Laboratory equipment
    - IT equipment
    - Furniture and infrastructure inputs
    - Printing and dissemination of updated guidelines
- Delays linked to prolonged approvals, late contracting, and bottlenecks on implementation.
- Periodic stock pressure for HIV test kits, molecular diagnostics, and TPT commodities that contributed to:
    - Sub optimal viral load testing coverage
    - Low TPT uptake among PLHIV
- Risk of expiry and stock outs remains if quantification and pipeline monitoring are not further strengthened.

On a positive wave, there were also savings that were recorded thanks to:

- Cost sharing arrangements
- Waived procurement and logistics fees

- Favorable pricing through pooled procurement

Recommended Actions for the PR:

a) Strengthen the Strategic Supply Chain Management
   - Accelerate delayed procurements (lab equipment, IT, furniture, guidelines) to remove service-delivery bottlenecks.
   - Fast track recruitment and deployment of technical assistance for PSCM and laboratory systems.
   - Improve coordination with MoH to reduce approval turnaround times.

b) Improve Quantification, Forecasting and Pipeline Visibility
   - Update quantification using:
     - Latest epidemiological trends (TB case finding, DR TB enrolment).
     - Revised HIV testing and treatment guidelines.
   - Strengthen stock pipeline reviews (quarterly minimum) to anticipate surges in diagnostic and treatment demand.
   - Maintain minimum buffer stocks for HIV test kits, molecular reagents and TPT medicines.

c) Reprogram and Optimize Use of Funds
   - Realign budgets to reflect:
     - Higher diagnostic demand and case finding intensity.
     - Increased distribution and customs costs in fragile settings.
   - Reprogram identified savings toward:
     - Underperforming areas (VL testing, TPT, KP services).
     - Addressing jointly agreed critical gaps caused by external funding reductions.

d) Strengthen Risk Mitigation and Grant Oversight
   - Closely monitor and liquidate outstanding obligations scheduled for Q1–Q3 2026.
   - Update and operationalize mitigating actions in the Grant & Risk Management tab, with clear ownership and timelines.
   - Maintain strong cash and procurement controls to sustain the zero cash and timely liquidation approach.

e) Link HPM More Explicitly to Programmatic Performance
   - Align commodity planning with:
     - Active TB case finding strategies.
     - ART cohort expansion.
     - KP outreach plans.
   - Improve LMIS/data reporting completeness and age/sex disaggregation to better inform forecasting and performance monitoring.

f) Laboratory and Diagnostics
   - Reinforce EQA participation and laboratory functionality through targeted support and retention measures.
   - Expedite reference laboratory and diagnostic network strengthening to protect gains in TB and HIV detection.

Financial Performance

The financial performance of the grant for the reporting period has been rated as Category 1, with an in-country absorption rate of 93%

The priority should remain as safeguarding the continuity of life-saving interventions. The PR is encouraged to focus available resources on critical activities, maintain close financial monitoring, and ensure the efficient use of funds given the evolving difficult context.

Please refer to Annex 1 - Financial Expenditures for the Global Fund reviewed and accepted expenditures and ending cash balance.

C. Status of Grant Requirements and Management Actions

1) Grant Requirements

Please refer to Annex 2 – Grant Requirements for the specific status of each Grant Requirement.

2) Management Actions

Please refer to Annex 3 – Management Actions for the specific status of each Management Action.

We take this opportunity to thank you, the entire team working on the GF grants and all implementing partners in-country for the progress made during the past reporting period.

We look forward to the continued collaboration and remain available for any clarifications.

Sincerely,



Job Muriuki
Senior Fund Portfolio Manager
Middle East and Southern and Eastern Africa Region

CC: Erastus Maina, Partner KPMG East Africa, Local Fund Agent

Annexes Annex 1: Financial Expenditures
Annex 2: Grant Requirements
Annex 3: Management Actions

Annex 1 – Financial Expenditures

Costing Dimension (Cost Grouping/Cost Input)	Budget for the current financial reporting year	Expenditure for the current financial Reporting Period reviewed and accepted by the Global Fund	Cumulative period Budget	Cumulative Expenditure reviewed and accepted by the Global Fund
	USD			
1.1 Salaries - program management	3,791,623	141,043	3,754,159	7,545,782
1.6 Salaries - community-based, incl. Community Health Workers (CHWs) and outreach w	516,320	75,398	414,032	930,352
1.7 Salaries - facility-based, including medical staff and other service providers	2,407,381	256,314	2,160,098	4,567,479
2.1 Training related per diems/transport/other costs	716,120	176,863	559,216	1,275,336
2.2 Technical assistance-related per diems/transport/other costs	74,601	120,456	69,769	144,369
2.3 Supervision related per diems/transport/other costs	502,184	49,877	359,690	861,874
2.4 Meeting/Advocacy related per diems/transport/other costs	415,463	334,436	559,461	974,924
2.5 Other Transportation costs	69,461	24,568	63,748	133,209
2.6 Surveys/data collection related per diems/transport/other costs	17,605	5,897	3,230	20,835
3.1 Technical Assistance Fees/Consultants	85,537	248,791	115,015	200,552
3.3 External audit fees	134,043	3,026	35,405	169,448

3.4 Other external professional services	166,712	291,604	199,922	366,634
4.1 Antiretroviral medicines	897,844	104,721	4,049,032	4,946,877
4.2 Anti-tuberculosis medicines	1,960,423	87,143	458,756	2,419,179
4.5 Opportunistic infections and STI medicines	223,527	(22,520)	320,099	543,626
4.7 Other medicines	19,481	0	0	19,481
5.4 Rapid Diagnostic Tests	2,084,670	(203,127)	1,211,872	3,296,542
5.6 Other laboratory reagents, test kits and consumables	115,620	(40,001)	41,396	157,016
5.7 Syringes and needles	0	0	0	0
5.8 Other consumables	144,480	9,706	59,540	204,020
5.11 Personal Protective Equipment	70,822	1,504	2,446	73,268
5.13 Molecular testing reagents, test kits and consumables	1,731,996	(242,010)	1,046,943	2,778,939
6.5 Maintenance and service costs for health equipment	0	6,400	1,850	1,850
6.6 Other health equipment	168,420	101,330	5,721	174,142
6.8 Equipment for Molecular testing (NAT)	0	0	0	0
6.9 Other laboratory equipment	17,670	3,770	29,022	46,692
7.1 Procurement agent and handling fees	506,005	(254,841)	303,958	809,963
7.2 Freight and insurance costs	1,239,246	(13,196)	621,985	1,861,231
7.3 Warehouse and Storage Costs	302,821	67,538	459,108	761,929

7.4 In-country distribution costs	508,411	(195,726)	435,277	943,688
7.5 Quality assurance and quality control costs (QA/QC)	15,481	1,553	15,563	31,044
7.6 PSM Customs Clearance	188,205	(24,148)	132,722	320,926
8.1 Furniture	0	14,740	19,960	19,960
8.2 Renovation/constructions	254,234	1,150,285	3,593	257,827
9.1 IT - computers, computer equipment, software and applications	2,999	226,964	34,107	37,106
9.2 Vehicles	0	0	0	0
9.3 Other non-health equipment	0	0	0	0
10.1 Printed materials (forms, books, guidelines, brochure, leaflets, etc.)	6,428	59,472	0	6,428
10.3 Promotional Material (t-shirts, mugs, pins...) and other CMP costs	0	0	112,670	112,670
11.1 Office related costs	939,772	124,487	936,214	1,875,986
11.3 Indirect cost recovery (ICR) - % based	1,917,976	247,492	1,722,923	3,640,899
11.4 Other PA costs	64,217	5,645	49,379	113,596
11.5 Shared costs	558,833	167,869	394,745	953,579
12.2 Food and care packages	55,979	(27,539)	29,803	85,782
12.3 Cash incentives/transfer to patients/beneficiaries/counsellors/mediators	396,285	17,717	201,897	598,182
TOTAL	**23,288,895**	**3,103,498**	**20,994,328**	**44,283,223**

Annex 2 Grant Requirements

Grant Requirements	Progress Status	Comments on implementation progress
Personal Data (1) Principles. Program Activities are expected to respect the following principles and rights ("Data Protection Principles"): (a) Information that could be used to identify a natural person ("Personal Data") will be: (i) processed lawfully, fairly and transparently; (ii) collected for specified, explicit and legitimate purposes and not further processed in a manner not compatible with those purposes; (iii) adequate, relevant and limited to what is necessary for the purposes for which they are processed; (iv) accurate and, where necessary, kept up to date; (v) kept in a form which permits identification of the individuals for no longer than is necessary for the purposes for which the Personal Data is processed; and (vi) processed in a manner that ensures appropriate security of the Personal Data; and (b) Natural persons are afforded, where relevant, the right to information about Personal Data that is processed; the right to access and rectify or erase Personal Data; the right to data portability; the right to confidentiality of electronic communications; and the right to object to processing. (2) Limitations. Where collection and processing of Personal Data is required in order to implement Program Activities, whether by the Principal Recipient, a Sub-recipient, or Supplier, the Principal Recipient should respect the Data Protection Principles: (a) to the extent that doing so does not violate or conflict with any law and/or policy applicable to it; and (b) subject to the Principal Recipient balancing the Data	In Progress	During the SR expenditure verification exercise,it was verified that the signed SR agreements have incorporated Article 31 (31.1 - 31.5) which stipulates guidelines on Data Protection. The status is marked as *in progress* because the requirement is supposed to be observed throughout the life of the grant.

Protection Principles with other fundamental rights in accordance with the principle of proportionality, taking into account the risks to the rights and freedoms of natural persons. (3) The Global Fund may collect or seek to collect data, and it is possible that such data may contain Personal Data. Prior to collection and at all times thereafter, the Principal Recipient shall take all necessary actions to ensure that the transfer of such information to the Global Fund does not violate any law or regulation applicable to the Principal Recipient.		
Under Article 3 of the UNDP-Global Fund Grant Regulations, the "Grant" consists of "funds as stated in the relevant Grant Confirmation together with any funds previously granted by the Global Fund to the Principal Recipient for the Program". In this regard, please note that where the Global Fund has approved the use under the current Grant Confirmation of grant funds disbursed to the Principal Recipient under a previous Grant Agreement for the Program ("Previously Disbursed Grant Funds"), the Global Fund may reduce the amount of Grant Funds that remains uncommitted set forth in Section 3.6 of the Grant Confirmation by the amount of any Previously Disbursed Grant Funds, upon written notification to the Principal Recipient.	Met	The final cash balance was determined after review of the GC6 FCR.
To the extent consistent with and without prejudice to the Framework Agreement, and, in particular, Article 2 of the UNDP-Global Fund Grant Regulations, the Principal Recipient shall be guided by the Global Fund Guidelines for Grant Budgeting (2023, as amended from time to time, available at the Global Fund's Internet site) in the budgeting of the Grant.	In Progress	The PR has matured in understanding and comprehension of Global Fund guidelines for budgeting. The status of this condition is marked as in progress because the requirement is supposed to be observed throughout the life of the grant.

The Principal Recipient shall reasonably ensure that Grant Funds are not used by the Principal Recipient in contravention of any applicable sanctions prohibiting or materially restricting the disbursement and/or use of Grant Funds or, implementation of Program Activities (collectively, "Applicable Sanctions") and promptly notify the Global Fund of any material due diligence findings inconsistent with and/or in contravention of Applicable Sanctions. Prior to the Principal Recipient transacting with any counterparty in connection with a Global Fund-financed program, the Principal Recipient shall conduct reasonable due diligence and ensure, including through the inclusion and enforcement of contractual obligations, that any Sub-recipient and supplier shall: (a) reasonably ensure that no Grant Funds are used or disbursed in contravention of any Applicable Sanctions; (b) provide prompt notice to the Principal Recipient and the Global Fund of any material due diligence findings inconsistent with and/or in contravention of Applicable Sanctions; and (c) ensure that the same undertaking is included in any downstream contracts with Sub-sub-recipients and/or suppliers.	In Progress	Based on interviews, the PR remains aware of the need to ensure that Grant Funds are not used in contravention of any applicable sanctions. The PR demonstrate their commitment to complying with this requirement including conducting reasonable due diligence before engaging any counterparty for all Global Fund related projects. The PR is aware of the requirement to promptly inform the Global Fund of any significant due diligence findings that contradict Applicable Sanctions, and ensure similar commitments are included in contracts with Sub-sub-recipients and suppliers. The status is marked as *in progress* because the requirement is supposed to be observed throughout the life of the grant.
Co-Financing (1) In accordance with the Global Fund's Sustainability, Transition and Co-financing Policy (GF/B35/04) (the "STC Policy"), the commitment and disbursement of US$ 21,293,280 (15% of South Sudan's total allocation communicated in the Allocation Letter of December 2022) (the "Co-Financing Incentive"), is subject to the Global Fund's satisfaction with the Host Country's compliance with the requirements listed at 4.6 (1)(a) and 4.6(1)(b) below ("Co-Financing Requirements"). The Grantee acknowledges and agrees that the Global Fund may reduce Grant Funds during the current or any subsequent Implementation Period in the event the Host Country fails to: a. maintain or progressively increase government expenditure on health to meet national universal health	In Progress	The PR indicated that they are cognisant of the co-financing requirement as stipulated in the Allocation letter of December 2022 (the "Co-Financing Incentive") and will work in collaboration with the CCM and the Government of South Sudan to ensure compliance to this condition. The status is marked as *in progress* because the requirement will be complete once the co-financing requirement is validated and confirmed.

coverage goals; and/or b. maintain or increase domestic funding of Global Fund-supported programs, with a focus on progressively absorbing the key costs of national disease plans, as identified in consultation with the Global Fund. (2) In order to satisfy the Co-Financing Requirements, the Grantee acknowledges and agrees that the Host Country shall, as set out in the co-financing commitment letter to be signed by the Government of South Sudan and submitted in form and substance satisfactory to the Global Fund, by 30 June 2024: a. fulfil a total minimum co-financing commitment; b. fulfil the programmatic commitments (if any) as stipulated in the co-financing commitment letter; and c. provide to the Global Fund, by no later than the agreed date of each year of the Implementation Period and the year following the end of the Implementation Period, evidence supporting the achievement of the Co-Financing Requirements, including but not limited to: i. the approved annual government budget for health for the upcoming year; and ii. the total government expenditure for health in the previous fiscal year.		
Use of the US$ 4,029,217 in Grant Funds provided in the Grant detailed budget for "HP" is mutually understood to be primarily for the procurement of commodities for Antiretroviral therapy (ART) and subject to the following conditions: a. Timely receipt by the Global Fund of sufficient documentation, in the Global Fund or designated agent's sole discretion, to allow the Global Fund to assess the commodities and activities proposed to be funded under	In Progress	An amount of US$ 4,029,217 earmarked as savings was primarily for the procurement of Antiretroviral Therapy (ART). This amount was reduced to 2,262,804 during the grant revision in June 2024 and with approval from the Global Fund as per IL1 dated 29 July 2024. The US$ 2M, under BL HP0999, will be reallocated during the next grant revision. Additionally, an amount of US$ 300,000 that had been earmarked for supporting targeted

HP budget lines. Additionally, a detailed budget outlining the proposed utilization of the Grant Funds shall be provided in addition to a timely update to the HPMT; b. Earmarking the amount of US$ 300,000 for supporting a Targeted Health Facility Assessment (tHFA); and c. Prior written approval from the Global Fund.		Health Facility Assessment (tHFA) is budgeted under BL 354 and the activity is yet to be implemented. The LFA notes that the implementer for the tHFA was changed from UNDP to AMREF. The status is marked as *in progress* because implementation of these activities is still in progress.
Use of the US$1,438,731 million provided in the Grant Budget under budget lines 426, 427, 428, and 429, aimed at supporting the creation of a Project Management Unit (PMU) within the Ministry of Health (MoH) is conditioned on: a. Timely receipt by the Global Fund of sufficient documentation detailing the proposed support activities and other costs to be supported by Grant Funds, as well as appropriate metrics and methodology for assessing progress and achievement of capacity building aims, and any applicable cost-sharing arrangements; b. Sufficient progress and/or mutual agreement among stakeholders and funders reasonably determined by the Global Fund as critical to coordination and alignment on complementary capacity-building support; and c. Prior written approval from the Global Fund.		This Performance Letter reflects the current approved budget following the most recent grant reallocation revision. Accordingly, references to previously approved but since removed budget lines are not included. Nothing in this letter shall be construed as amending, waving, or otherwise affecting any obligations under the Grant Agreement.
Use of the US$ 905,488 under Budget Line 5 in Grant Funds provided in the Grant Budget for Module RSSH: Laboratory Systems is conditioned on: a. Global Fund timely receipt of documentation sufficient, in the Global Fund or designated agent's sole discretion to verify that activities to be funded are within the scope of designated matching funds, including an applicable detailed budget; and b. Global Fund prior written approval.	In Progress	An amount of US$ 905,488 had been parked as savings under BL 5 relating to RSSSH: Laboratory Systems. This amount was reallocated to activities including HIV/TB transportation and additional resources for renovation of the Aweil Regional Laboratory during the grant revision in June 2024 and with approval from the Global Fund as per IL1 dated 29 July 2024. The status is marked as *in progress* because the activities to which the funds were reallocated are still ongoing.

Annex 3 Management Actions

Risk	Sub Risk	Root Cause	Recommended Action
HIV – Program Quality	Program Implementation and Efficiency	The transition of HIV laboratory services at the National Public Health Laboratory has resulted in a backlog of approximately 15,000 DBS samples for viral load and EID testing, limiting monitoring of treatment outcomes and the third 95 target. The disruption is linked to the ongoing transition of laboratory systems and operational adjustments within national laboratory structures, which has temporarily affected testing capacity and sample referral systems.	The PR, in coordination with the Ministry of Health and implementing partners, should implement a time bound plan to restore viral load testing capacity and clear the existing DBS backlog, including confirmation of available laboratory platforms, restoration of sample referral mechanisms, and prioritization of testing for overdue samples while ensuring timely use of available reagents. Timeline: 31 December 2026
In-Country Supply Chain	HP Distribution Systems	Laboratory service support for 49 health facilities has transitioned from ICAP to IntraHealth, which may temporarily affect operational capacity during the transition period. This transition may affect sample referral, laboratory supervision, and coordination of HIV diagnostic services if roles and operational arrangements are not clearly aligned.	The PR should coordinate with IntraHealth and the Ministry of Health to ensure clear operational arrangements for laboratory support at the affected facilities, including confirmation of responsibilities for sample referral, supervision, and service continuity. Timeline: 30 September 2026
Procurement	HP Information Systems	Program data indicate higher than planned ART enrolment and TB notifications, including MDR-TB case detection exceeding planned targets. If procurement planning is not adjusted to reflect these trends, there is a potential risk of future supply gaps for key HIV and TB commodities.	The PR should review commodity quantification assumptions for HIV and TB commodities, considering updated program performance data and treatment trends, and update procurement and pipeline planning accordingly. Timeline: 30 June 2026