U.S. Agency for International Development and Department of State
Fiscal Year 2023 Report to Congress on Health Systems Strengthening

This report is being submitted pursuant to Section 7019(e) of Division K of Public Law 117-328, the Department of State, Foreign Operations, and Related Programs Appropriations Act (SFOAA), 2023, which makes mandatory the reports required by the accompanying Joint Explanatory Statement (JES) and House Report 117–401. Specifically, this report includes information directed by the House Report provisions below relating to health systems strengthening. USAID developed the report in coordination with the Department of State's U.S. Global AIDS Coordinator office (Bureau of Global Health Security and Diplomacy/PEPFAR).

The House Report contains the following:

> *The Committee directs the USAID Administrator and the Global AIDS Coordinator to ensure that, for operating units implementing more than one Global Health program area, not less than 10 percent of each program line in the ''Global Health Programs'' table, including HIV/AIDS, is spent on cross-cutting health system capacity to ensure these systems are affordable, accessible, reliable, and accountable to the people served. These funds should be in addition to ongoing health system capacity building that supports individual programs, and programs should be jointly funded. The Committee includes further language under Reports in this heading (pg. 43).*

> *Health systems. —The USAID Administrator and United States Global AIDS Ambassador are directed to submit to the Committees on Appropriations, not later than 90 days after enactment of this Act, a report detailing progress on the integration and joint funding of health systems strengthening activities including the implementation of the 10 percent directive. The report should include a description of how USAID and OGAC are designing these integrated efforts by operating unit, including Washington-based programming, and the expected result of this integration on improved performance of country health systems. In addition, the report should include: (1) a baseline accounting of ongoing systems strengthening contributions from each program line in the table under Global Health Programs; (2) performance indicators used to track and coordinate such efforts; and (3) a description of steps taken, or planned to be taken, to ensure systems strengthening investments are sustained by host countries. The report should include cross-cutting efforts to strengthen local health workforces (pg. 46-47).*

I.   **Progress on the Integration and Joint Funding of USAID Health Systems Strengthening Activities (Except HIV)**

USAID cross-cutting health system strengthening (HSS) activities are defined by USAID in the Foreign Assistance Standardized Program Structure and Definitions (SPSD) as "overarching activities that are supported with multiple health element funding." Activities that meet this definition are those funded through two or more program area funding streams within a single

implementing mechanism/project and are expected to impact and support multiple health program areas. Cross-cutting HSS activities take a comprehensive approach aimed to result in system-wide efficiencies and/or improved integrated health system performance. USAID cross-cutting HSS activities in this report do not include the full universe of USAID HSS activities and in particular those that are undertaken by a single program area of the Global Health Program (GHP) account (e.g., community health worker training in malaria diagnosis and treatment), which fall within different SPSD definitions related to specific program aspects of service delivery and health systems. Individual health program area health system strengthening interventions also benefit partner country health systems, especially through helping to meet program area goals and improve health outcomes. Except for HIV/AIDS, which is addressed in the PEPFAR section of this report, each USAID-implemented program area has an SPSD code for cross-cutting HSS; by definition, funds programmed under these codes support integrated, or cross-funded, HSS activities. This aligns with the language in the House Report, which focuses on HSS activities that are "jointly funded." USAID continues to take steps to better integrate HSS activities across programs, guided by Agency policy and priorities for strengthening integrated health systems, including the Agency's Vision for Health System Strengthening 2030.[1]

The House Report that accompanied the FY 2022 SFOAA contained provisions similar to those above. In response to the FY 2022 House Report directive, the Bureau for Global Health (GH) updated its tracking mechanisms and programming guidance for all operating units to better meet the directive. The FY 2022 funds have now been programmed through the FY 2022 OP, which is used for all USAID Global Health Programs with the exception of HIV/AIDS[2], and this report is based on enhanced data gained as a result of this update.

How Operating Units (OUs) are Designing Cross-Cutting HSS Activities

The GH Bureau facilitated implementation of this directive and reporting requirement by working with operating units across the Agency. The GH Bureau developed technical guidance including illustrative examples of integrated HSS investments that align with program area objectives to help guide appropriate, integrated Mission planned investments. The GH Bureau also conducted outreach to Agency operating units through webinars and individual consultations during the development of FY 2022 Operational Plans.

The implementation of cross-cutting HSS programming is critical to the success of USAID and the United States' global health priorities. USAID's approach to strengthening health systems is largely centered in supporting partner countries to accelerate efforts towards Universal Health Coverage (UHC), with primary health care (PHC) as a backbone of UHC. USAID partner countries are working to restore their health systems to reach the most vulnerable and recover their

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[1] USAID's Vision for HSS 2030
[2] Although malaria activities are reflected in a mission/bureau's Operational Plan, per OP guidance, what is entered into the OP must match the U.S. Global Malaria Coordinator's approved Malaria Operational Plan.

populations' life expectancy to better than pre-pandemic levels while also preventing and preparing to respond to future global health emergencies. For USAID-funded health investments to address immediate health needs while also building underlying capacity of health systems, USAID must continue to invest in cross-cutting activities that support core health systems functions. USAID's focus on accelerating PHC and investments in the health workforce are linked to the agency's priority of restoring services and survival rates to better than pre-pandemic levels, particularly for mortality for children under 5 and women under 50. Therefore, USAID prioritizes investments at the facility and community level.

USAID designs cross-cutting HSS activities with a focus on strengthening the whole health system to improve service coverage for all populations, increase financial protection, improve the quality of essential health services, and improve responsiveness. USAID cross-cutting HSS activities also include monitoring, evaluation, research and learning (MERL) plans that account for the complexity of health systems. Our objective is to build self-sustaining local capacity and to prepare countries to transition from donor support. For example, the centrally managed Local Health System Sustainability (LHSS) project was designed to support these priorities and help countries transition to sustainable, self-financed health systems and achieve universal health coverage (UHC). More than 20 USAID missions and 10 technical offices from USAID/Washington use the project to apply systems approaches, incorporate robust MERL, and strengthen local capacity to address local challenges and promote global health security. In Tanzania, the bilateral Public Sector System Strengthening Plus (PS3+) Activity, which receives cross program funding including in health, education, democracy, human rights and governance and economic growth, works with the Government of Tanzania and the Revolutionary Government of Zanzibar to strengthen and institutionalize public sector systems at the local level. The objective is to make them more responsive to citizens' needs for essential quality public services, particularly for underserved populations. PS3+ promotes scalable local solutions and increased citizen engagement in the transparent management of resources and delivery of public services.

The implementation of the directive offers an opportunity to support integrated primary health care, including strengthening the health workforce to advance the Administration's Global Health Worker Initiative (GHWI) as well as to support the goals of the President's Malaria Initiative that are strategically focused on strengthening health systems, including strengthening community health systems to improve reach and access. In addition, USAID recently announced the launch of Primary Impact, an effort to strengthen primary health care across seven focus countries in Africa and Asia: Côte d'Ivoire, Ghana, Kenya, Nigeria, Malawi, Indonesia, and the Philippines.[3] Through Primary Impact, USAID aims to maximize the impact of investments, address health workforce capacity constraints, and support the delivery of

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[3] Primary Impact focus countries were selected through robust assessment of health need and health worker density and opportunity based on government's political will for strengthening PHC, USAID's existing health portfolio in the country, and the countries' relationships with GFF and other key partners to catalyze investments.

integrated care—work that is underpinned and sustained by a strengthened, resilient health system. A comprehensive, trained, protected, well-equipped, and supported workforce is a key component of any health system[4] and is the backbone for primary health care, as it allows for the expansion of equitable access to public health services and health care across the globe.[5]

Comprehensive and sustainable investments in a country's health workforce not only improve health outcomes, but also create jobs and career pathways, which support broader economic development. USAID's cross-cutting programming supports the GHWI and country-level priorities including strengthening local capacity through a variety of activities including improving pre-service training centers, strengthening human resource information systems, increasing financing for health workers, and ensuring equitable distribution of health workers that reach all communities. These investments have yielded key and sustainable results. For example, using funding from multiple program areas, USAID is the primary contributor to and founding member of the country-led, global Community Health Roadmap partnership that supports more than 15 countries to professionalize and integrate community health workers (CHWs) into health systems. Due in part to this strong partnership and leadership by USAID mission health programs, the Government of Liberia announced in March 2023 that they will be allocating $1.6 million of their own government resources to support the payment of CHW supervisors, and the President of Guinea signed a new law in April 2023 committing the government to paying CHW salaries.

FY 2020, FY 2021 and FY 2022: Comparison of annual Operational Plan baseline accounting of cross-cutting HSS contributions from each program line in the table under Global Health Programs[6]
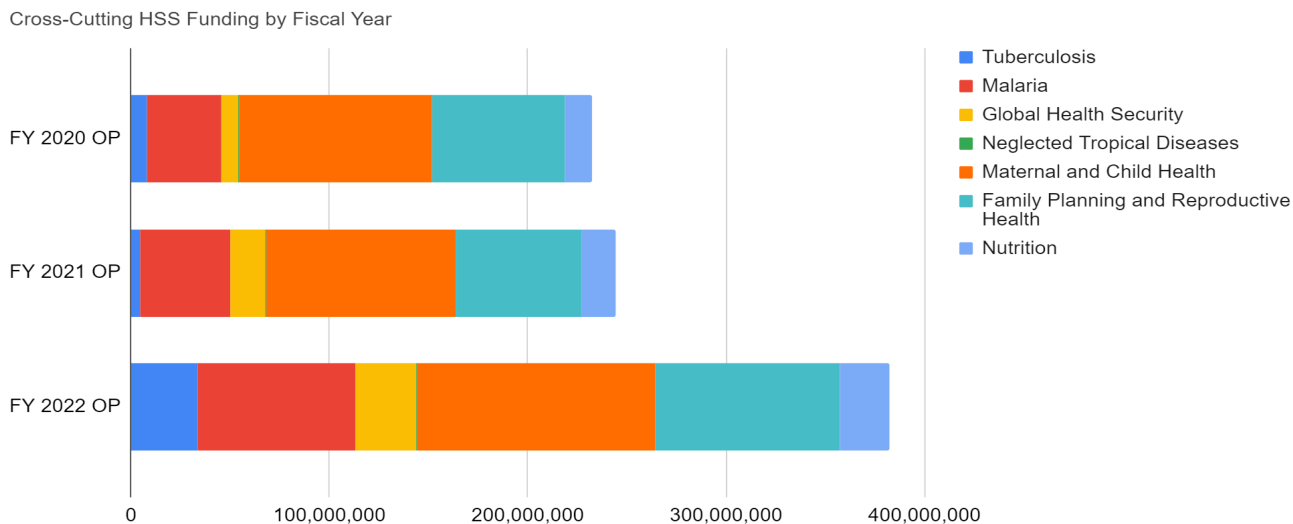
Cross-Cutting HSS Funding by Fiscal Year

As illustrated in the chart, among the Global Health Program-USAID (GHP-USAID) program areas, maternal and child health (MCH) and voluntary family planning and reproductive health (FP/RH) accounted for the largest share of cross-cutting HSS activities. In FY 2022, approximately 14 percent of MCH funding and 18 percent of FP/RH funding was programmed to cross-cutting HSS, but all program areas saw an increase in these investments. The chart shows integrated HSS investments, which are programmed in addition to ongoing health system capacity building supported by individual program areas. Malaria's attributions align with the US Global Malaria Coordinator-approved Malaria Operational Plans and demonstrate increases since FY 2020.

USAID utilized the FY 2022 OP process to capture cross-cutting health systems strengthening contributions for each program area at the OU level. To isolate "jointly funded" HSS activities covered by the House Report directive, USAID analyzed activities programmed under the cross-cutting HSS SPSD codes described above. In the FY 2022 process—the first year of operational planning with the health systems strengthening directive in place—30 OUs have met or exceeded the 10 percent thresholds across all program areas (compared to 10 OUs in FY 2021); 19 OUs met the directive thresholds for some, but not all program areas; and 9 OUs did not meet the directive thresholds (See Table 1). OUs in the latter two categories provided rationales for each program area that did not meet the directive thresholds. OUs described their challenges and considerations for programming FY 2022 funds for cross-cutting HSS, and potential future shifts in programming that will enable them to better meet the directive thresholds going forward.

Percent of OUs Meeting or Exceeding the Use of 10 Percent of GHP funds to Program into the "Cross-cutting Health Systems" Element within Each Program Area for Integrated Health System Strengthening (HSS) Activities

	FY21 (prior to directive)	FY22 (first year of directive)*
% of relevant OUs meeting or exceeding 10% thresholds across all program areas	20% (10/49)	52% (30/58)
% of relevant OUs meeting or exceeding 10% thresholds across some, but not all, program areas	22% (11/49)	33% (19/58)
% of relevant OUs not meeting or exceeding 10% thresholds in any program area	57% (28/49)	15% (9/58)

*Beginning in FY 2022, Global Health Security funding was provided directly to mission OUs. This resulted in an increase in the number of mission OUs that receive funding in more than

one GH program area and therefore increased the number of OUs subject to the cross-cutting HSS directive. This accounts for the change in denominator from 49 to 58 between FY 2021 and FY 2022.

Country Examples of Cross-Cutting HSS Activities

Cross cutting health system investments support the improvement of the system as a whole with positive impacts for multiple program areas. The following examples demonstrate previously-funded cross-cutting HSS activities that strengthen the management of resources and functions within health systems, and which benefit all health areas. The results below were achieved prior to the FY 2022 directive and were supported with a mix of Global Health Program funding. USAID looks forward to reporting results in future years following the directive fully in place.

The examples below include but are not limited to sustainable financing interventions; support for better delivery and management of commodities and health technologies; improvement in recruitment, retention, and management of health workers and resources to enable them to do their jobs more effectively; strengthening of health information systems to improve access and use of data for decision making; and improvements of governance and regulatory capacity to improve the quality of all healthcare services.

Africa
- In **Ethiopia**, USAID provided technical assistance for financial protection schemes for communities and to help increase domestic financing and autonomy for health facilities to improve the quality of healthcare, improve infrastructure, and purchase essential pharmaceuticals. In FY 2022, health facility revenue retention and utilization reforms helped health facilities mobilize $134.4 million from internal revenue, an increase of 20 percent from the previous year.
- In **Kenya**, USAID supported national and county health departments to strengthen management and security of commodities and establish Health Products and Technology Units (HPTUs) to provide governance, oversight, and coordination of supply chain functions. USAID also supported the government's Division of Health Products and Technologies (DHPT) to review and disseminate guidance for the establishment of HPTUs. The HPTUs train healthcare workers in commodity management and review commodity data. Today, 47 counties benefit from the HPTUs. Additionally, USAID supported advocacy efforts to increase the government's budget to employ more health workers. USAID also provided technical assistance to strengthen local and national planning and budgeting for the health sector.
- In **Malawi**, USAID supported the Ministry of Health (MOH) to revamp the Human Resources Information System in central hospitals across 15 districts and a human resources for health (HRH) performance management system in two districts. USAID also worked with local institutions to award 849 scholarships to nurse and midwife technicians, community midwifery assistants, and other graduates entering the health workforce. To alleviate staff shortages, USAID helped develop guidelines to manage

health worker rotations and relief duties for MOH staff in 13 hard-to-reach districts. Additionally, USAID provided technical assistance for the development of the Third Health Sector Strategic Plan and Community Health Strategy to strengthen service delivery, health data use, medicines stock management, and community engagement.

- In **Nigeria**, USAID advanced health financing reforms at national and sub-national levels to improve health allocation and expenditure. In FY 2022, USAID helped advance the National Health Authority Act, which promotes, regulates, and integrates health insurance schemes; improves and harnesses private sector participation; and advances progress toward Universal Health Coverage (UHC). As a result, the government created a vulnerable group fund (VGF) to provide health coverage for 83 million poor and vulnerable Nigerians. Budget allocations to the national Basic Health Care Provision Fund (BHCPF) also increased 25 percent to $104.7 million in 2022, and health budget allocation increased from $1.3 billion in 2021 to $1.97 billion in 2022.

- In **Tanzania**, USAID addressed the inequitable distribution and severe shortage (approximately 50 percent) of health workers by transitioning a needs-based HRH allocation system to the Government of Tanzania and supporting HRH policy development for the Health Sector Strategic Plan (2020-2025). USAID also expanded collaboration with local institutions and strengthened the capacity of local governance structures to engage communities in public financial management and public sector services so that citizen engagement, social accountability, and stewardship roles become institutionalized.

- In **Uganda** during FY 2022, USAID supported activities to strengthen the capacity of national and local level leaders in governance and management of the health system. USAID trained health officers and hospital management teams on approaches for strengthening public financial management systems and policies and on ways to empower communities to demand transparency and accountability for the use of government and donor funds. USAID also supported four private medical bureaus to develop five-year strategic plans that will improve and sustain their governance, financial management, revenue generation, and implementation systems.

Asia

- In **Cambodia**, USAID collaborated with the MOH and other partners on the national Health Equity and Quality Improvement Program (H-EQIP) to improve the quality of health services in six provinces. H-EQIP established minimum standards for private health clinic licensing and optimal standards for health services accreditation. H-EQIP and the Hospital Services Department of the MOH have also adapted USAID-supported accreditation standards into the official Cambodian Hospital Accreditation Standards, which will apply to national quality hospital assessments in FY 2023.

- In the **Philippines**, USAID supported the implementation of a UHC Act to reform health financing, service delivery, governance, and regulations. In cities and provinces selected to roll out the UHC Act, USAID helped develop policies to expand the primary care benefit package covering health screenings and assessments, laboratory testing, and medicines. Additionally, USAID supported the Department of Health to develop a policy to delineate bureau roles and responsibilities for the supply chain and helped in

developing a road map for the central, regional, and local government levels to
implement the UHC Act.
- In **Timor-Leste**, USAID conducted research to deepen understanding of community
perspectives on specific interventions, attitudes, and values. The research proposed
expanding male engagement through male support groups, establishing village health
assemblies and strengthening community skills by increasing community-based
monitoring for health. The MOH and USAID are moving forward to develop a holistic
and evidence-based nationally aligned social and behavior change strategy.

Latin America
- In **Guatemala**, USAID strengthened health information systems to enhance data
visibility and accessibility. USAID also provided assistance to improve data analytics,
decision support, and data use to improve resource allocation, timely government
response, and accountability. In addition, USAID worked with health personnel at the
municipal, health services and community levels to strengthen the collection, transfer,
and use of data for decision making.

Reporting and Performance Indicators Used to Track and Coordinate Cross-Cutting HSS Efforts

USAID's annual Performance Plan and Reporting (PPR) process is an annual performance
information data call worldwide across program areas. The PPR includes both indicator and
narrative reporting. USAID utilizes three annual PPR indicators to measure USAID investments
in health system functions, including the provision of quality essential health services, financial
risk protection and population coverage/equity, and health system responsiveness. Missions
are increasingly using the SPSD definition of cross-cutting HSS when reporting on these HSS
indicators. In the FY 2021 reporting year (the most recent year for which data are available), 24
missions reported on the indicator on health system responsiveness, 12 reported on financial
risk protection, and 27 reported on quality improvement, representing significant increases in
data collection from the previous year. Of these, 69 percent of Missions met their targets for
increased facility utilization related to quality improvement activities, and 64 percent of
Missions met their targets for enrollment in financial protection schemes; health system
responsiveness targets were met in 45 percent of Missions, indicating the need to address gaps
in continuity of care. This year, USAID is adding a fourth health systems annual PPR indicator
tracking health workforce management at the facility and community levels.

Additionally, USAID has addressed the need for measuring health system performance as
recommended in the 2019 OIG report 4-936-20-001-P[7] on USAID's Health Systems
Strengthening programs. Actions included but are not limited to making available the digital
web-based High Performing Health Care (HPHC) tool to assess perceived health system
performance and its correlates in cost-efficient and cost-effective ways. Data are available from
four countries, with data from ten more countries anticipated by the end of the year. The tool

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[7] USAID Office of Inspector General: More Guidance and Tracking Would Bolster USAID's Health Systems
Strengthening Efforts (2019)

collects perceptions on the functionality of the health system processes related to health systems outcomes such as equity, quality, responsiveness, and resilience. The results of the HPHC tool can be triangulated with PPR indicator results, other global data sources, local government sources of data, and other monitoring, evaluation, and learning activities within individual country portfolios for a deeper understanding of where country governments need to focus attention for greater health system strengthening and impact, and to measure implementation progress and achievements over time.

Description of Steps Taken, or Planned to be Taken, to Ensure HSS Investments are Sustained by Host Countries

USAID-Supported HSS Programming
USAID has provided guidance to missions and is supporting them to plan and implement activities that will increase the sustainability of our investments across health areas. This support helps countries strengthen their health systems so they can provide increasingly equitable, high-quality care aligned with country goals across all levels of the health system, particularly at the primary health care level; can have a health system increasingly resilient to health emergencies and adaptive to crises; and are better prepared to prevent, detect, and respond to all infectious disease outbreaks. While sustainability approaches vary by country, steps taken can include encouraging investment in the health workforce and particularly primary care health workers; investing in country-owned systems, platforms, and governance capacity; and strengthening the capacity of local institutions to identify and lead solutions for their own health systems. Sustainable financing interventions are also critical because sustained health financing means adequate funds for healthcare are raised in ways that protect people from financial catastrophe or impoverishment due to paying for high out of pocket costs for health services. These goals are reflected in USAID's Vision for Health System Strengthening 2030 and support the agency's objective for health systems to achieve equity, quality, and resource optimization.

There are many examples of interventions that will remain in place as part of country-owned systems and processes even if donor funding ends. In FY 2022, USAID supported the **Philippines** with the development of a commodity allocation/distribution tool to address facility-level stock issues in voluntary family planning and tuberculosis. The tool is now being incorporated into the government's existing data collection platform and the electronic logistic management information system (eLMIS). In **Ukraine**, USAID helped strengthen the national institutions that lead health system reforms including the National Health Service of Ukraine (NHSU), the Central Procurement Agency (CPA), and the MOH's State-owned Enterprise on eHealth. USAID's support has led to the adoption of 14 laws and by-laws, strengthening the CPA's mandate as an independent and transparent procurement agency. The CPA also expanded to procure medicines for 14 out of 38 government programs and generated $1.3 million in savings in the procurement of antiretrovirals.

In **Haiti**, USAID provided support to the Ministry of Public Health and Population to develop a policy for providing career development, retirement and pension, and incentives for health professionals to work in underserved areas. USAID also provided technical and financial assistance to develop a plan to transition health worker salaries from USAID to the government's budget and finalize, validate, and operationalize the plan at the central and departmental levels. In **Ghana**, USAID collaborated with the National Health Service to support research on the role that Provider Care Networks (public and private health facilities) can play in advancing equity in service coverage. The research identified practices that could enable the provider networks to promote equity for PHC services, and elevated significant demand and supply side factors that impede progress. These findings helped guide the design of Networks of Practice which will be scaled-up nationwide.

In **Indonesia**, USAID's Primary Impact effort is helping the government expand and strengthen PHC. Indonesia is now spending over 25 percent of their health budget on PHC, up from ten percent not long ago. In coming years, the country plans to increase health budget investments in PHC, which would put a well-equipped, fully staffed PHC center in every one of Indonesia's 75,000 villages. USAID has provided technical assistance to train managers, clinicians, and frontline workers to achieve better outcomes, improve quality of care and to support increasing health financing to expand PHC and achieve UHC.

II.   PEPFAR-Supported Health System Strengthening Programming

The Country Operational Planning (COP) and Regional Operational Planning (ROP) processes undertaken by the President's Emergency Plan for AIDS Relief (PEPFAR) program were used to plan health system strengthening programming. PEPFAR's Five-year Strategy, *Fulfilling America's Promise to End the HIV/AIDS Pandemic by 2030,* includes a focus on integration to achieve sustainability, as well as a strategic pillar focused on public health systems and security. COP/ROP23 guidance states that "PEPFAR should also strengthen health service delivery platforms in COP/ROP23, supporting partner government capabilities in service delivery for HIV, other health conditions, and outbreak response." The guidance also includes language that supports aligning with the Global Health Security Agenda (GHSA) 2024 targets.

To support countries in ending HIV as a public health threat by 2030 and sustaining epidemic control, PEPFAR is reorienting its implementation approach to focus on long-term sustainability by strengthening the capabilities of governments to lead and manage the program, in collaboration with communities, the private sector and local partners. PEPFAR's COP23 Guidance emphasizes that the approach to sustainability is driven by the partner country government's vision for a resilient and responsive health system that needs to be strengthened to close remaining gaps and sustain the HIV response. Country ownership and leadership of the HIV response is central to sustained epidemic control of HIV and a transformed program. PEPFAR has long invested in health systems to strengthen and fill partner country system gaps, impacting the capacity and quality of services provided by local governments and providers. As countries reach a pivotal point in the HIV response, planning for political, programmatic, and financial sustainability is increasingly important.

In collaboration with countries, and in alignment with multilateral investments, PEPFAR will support the development of Sustainability Roadmaps, which will be embedded within existing national strategic planning processes and will chart a path forward for sustaining the HIV response. The Sustainability Roadmaps will guide COP and ROP processes and will be measurable and updated periodically.

While remaining focused on addressing HIV, PEPFAR has had a significant impact on the broader health system, contributing to reduced all-cause mortality, and strengthening systems that support global health security and preparedness by better equipping partner countries to swiftly and effectively address HIV in ways that also help them address other disease outbreaks, including Ebola and COVID-19. PEPFAR has also contributed to TB services through HIV/TB programs and antenatal care and pregnancy services to prevent the transmission of HIV to mothers and babies. To provide life-long HIV clinical services, PEPFAR has helped to establish health care systems that deliver quality routine health care for a chronic condition like HIV. PEPFAR also scaled up laboratories and connected laboratory systems back to the clinic for timely diagnosis and return of results. Additionally, PEPFAR established patient data systems to ensure that patients received effective HIV services. The extent of the achievements made possible through PEPFAR's support in sub-Saharan Africa alone in 2022 are illustrated in the infographic below.

PEPFAR has prioritized and made significant progress toward providing funding across PEPFAR Operating Units to local partners. This approach has increased the delivery of direct services and established significant capacity, capability, and durability of these local partners to ensure successful, long-term engagement to strengthen the health system, sustain impact of HIV investments, and build resilience.

PEPFAR has developed a suite of tools that help field teams and headquarters understand and assess countries' sustainability landscapes, and create the conditions required for sustainable programs. This includes the HIV/AIDS Sustainability Index and Dashboard (SID), which is a tool completed by PEPFAR teams and partner stakeholders to sharpen the understanding of each country's sustainability status and to inform strategic HIV/AIDS investment decisions. It also includes the Planning Activities for Systems Investment Tool (PASIT), a streamlined and updated version of "Table 6" used by all OUs with HIV/AIDS funding in previous years. In COP/ROP23, the PASIT is designed to help teams and their partners to fund above-site activities that will address specific gaps in public health systems and ultimately help end HIV/AIDS as a public health threat while sustainably strengthening public health systems. The PASIT structure aligns activities to identified gaps and expected outcomes and clarifies the duration of implementation and location of activities of investments, and their resultant impact on the national HIV response. Finally, the PEPFAR-led HRH Inventory remains critical to the success of the program. The Inventory is an essential element in achieving epidemic control and also for sustainability planning and workforce development activities necessary to sustain the gains achieved in the response to HIV. PEPFAR emphasizes transparency of all these data streams to enable all stakeholders, including other donors to effectively plan complementary efforts.

In combination, these efforts and the data that the tools provide enable teams to implement better informed programming in a more targeted and impactful manner. As PEPFAR continues to refine its approach to sustainability planning, these tools are routinely reviewed and updated to ensure the multitude of data will be available for co-planning and implementation.

USAID and GHSD/PEPFAR will continue efforts to harmonize measurement and program planning approaches to health system strengthening, aligned with country priorities for health system strengthening.

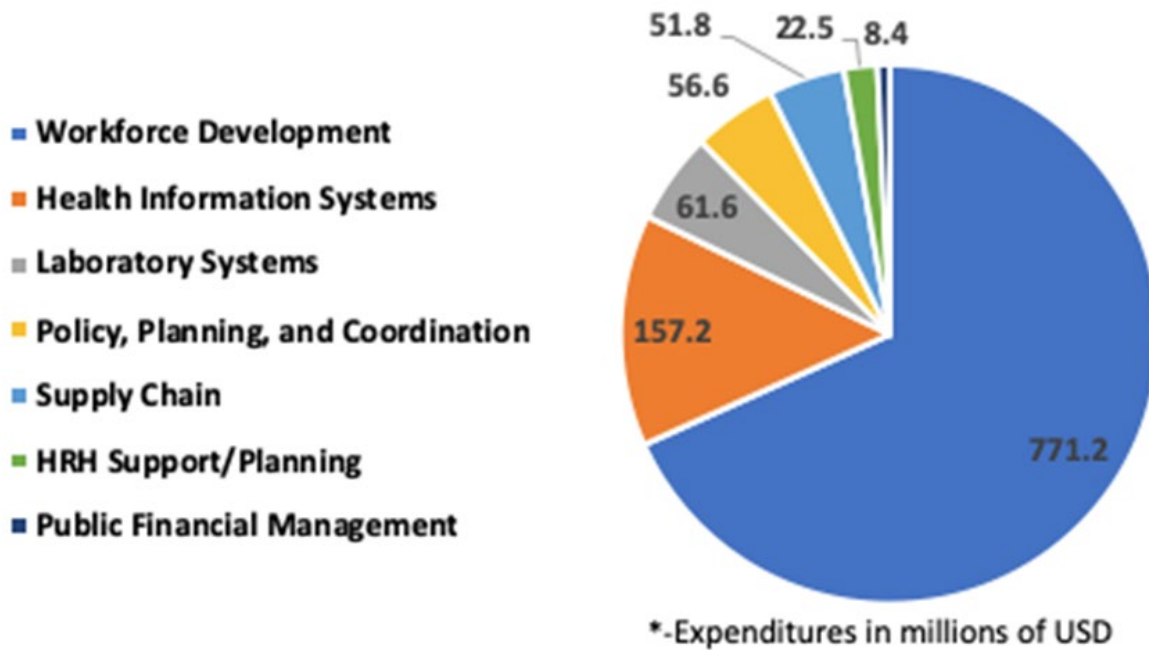**Annex 1: How USAID is Working with our OUs on Advancing the Cross Cutting HSS Funding Directive**

USAID continues to strengthen its approach and guidance to the field for cross-cutting HSS work to address challenges identified in the 2019 USAID OIG audit 4-936-20-001-P to build mission capacity to program and implement effective HSS portfolios spanning individual program areas. Beginning in 2019 in response to the 2019 OIG audit report, USAID's Global Health Bureau included guidance in country-level Operational Plans that Missions receiving funds from two or more global health program areas invest resources toward cross-cutting health systems element(s) to address common health systems barriers across programs, consistent with existing legal authorities that govern the use of funds. In 2022, USAID began implementing the 10% provision discussed above, through which Congress reinforced the importance of and encouraged investing in cross-cutting HSS. Recently, USAID launched the Primary Impact initiative which stresses the importance of integrated investments in primary health care to strengthen country health services and regain losses in life expectancy due to the COVID-19 pandemic.

Response to 10% Directive by Operating Unit

	Operating Units
30 OUs met or exceeded 10% thresholds across all program areas	Afghanistan, Angola, Bangladesh, Burundi, Cambodia, Colombia, Côte d'Ivoire, Ethiopia, Guinea, Haiti, India, Indonesia, Kyrgyz Republic, Laos, Liberia, Madagascar, Mali, Nepal, Pakistan, Philippines, Tanzania, Timor-Leste, South Africa, Uganda, Uzbekistan, Zambia, Africa Regional, Asia Regional, Latin America and Caribbean Regional, Sahel Regional
19 OUs met or exceeded 10% thresholds across some, but not all, program areas	Benin, Burkina Faso, Democratic Republic of Congo, Ghana, Guatemala, Kazakhstan, Kenya, Malawi, Mozambique, Niger, Nigeria, Peru, Rwanda, Senegal, Sierra Leone, South Sudan, Tajikistan, Ukraine, Bureau for Global Health
9 OUs did not meet or exceed 10% thresholds in any program area	Burma, Cameroon, El Salvador, Honduras, Jamaica, Zimbabwe, Vietnam, Regional Development Mission for Asia (RDMA), West Africa Regional

Annex 2: PEPFAR Investments and Definition

PEPFAR's Health Systems Strengthening Expenditures, FY 2022*

- Workforce Development
- Health Information Systems
- Laboratory Systems
- Policy, Planning, and Coordination
- Supply Chain
- HRH Support/Planning
- Public Financial Management

51.8 56.6 61.6 22.5 8.4

157.2

771.2

*-Expenditures in millions of USD

This graph represents a total of $1.129 billion in investments through PEPFAR exclusively to build or support health system infrastructure and capacity, helping train health care workers (HCWs) to deliver and improve HIV care which also has the benefit of helping them deliver better care for other health services; supporting more than 3,000 laboratories, 28 national reference laboratories, and 70,000 health care facilities (the vast majority in sub-Saharan Africa); and expanding partner country expertise in surveillance, diagnoses, and rapid public health response to HIV which also has the benefit of expanding partner country expertise for other public health responses.[8]

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[8] Expenditures collected from PEPFAR's Expenditure Reporting tool for above-site categories and HRH inventory for site-level workforce.