Global Health Security and Diplomacy

U.S. DEPARTMENT *of* STATE

Guidance for U.S. Government Operations under the America First Global Health Strategy

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INTRODUCTION

This document contains guidance to support planning for health awards funded by Department of State Global Health Programs to advance implementation of the America First Global Health Strategy (AFGHS) and align with MOU or multi-year plan goals, considerations for Chiefs of Mission to create functional staffing structures that are fit-for-purpose and enhance programmatic oversight, and instructions to ensure budget allocations for costs supporting AFGHS implementation are correctly aligned to either the country's U.S. government management and operations budget allocation or the program budget allocation.

STREAMLINED AWARD MANAGEMENT AND PROGRAM INTEGRATION

The Department of State Bureau of Global Health Security and Diplomacy (GHSD) coordinates the implementation of all programs funded under the Global Health Programs (GHP) account to ensure full alignment with the AFGHS and to maintain oversight and accountability for these appropriated funds. This coordination strengthens accountability to recipient country priorities, improves program coherence, and ensures that all health assistance activities advance U.S. foreign policy objectives while delivering measurable results. The approach below is applicable to all country programs, regardless of MOU posture.

Interagency PEPFAR implementation has had extraordinary program results and contributed to remarkable gains in the global HIV response. This success provides an opportunity for program evolution. The AFGHS takes a new approach to maximize program efficiency and support recipient country ownership. Implementation planning should prioritize a streamlined landscape for implementing mechanisms and a transition to awards primarily issued and managed by the Department of State. Implementation through local implementers, including faith-based organizations and private sector entities, will be prioritized. Additional guidance is forthcoming on the mechanics of issuing awards to support implementation through local implementers.

Consolidating award design and management under a unified Department of State approach will reduce duplicative overhead that results when multiple agencies manage similar activities or work with the same implementers. High performing implementing mechanisms managed by other U.S. government departments and agencies may continue to be utilized with specific conditions (see *Responsible Transition* section below).

A streamlined structure enables integrated programming across health areas, allowing HIV, tuberculosis, malaria, maternal and child health, nutrition, and global health security activities to be coordinated within cohesive country strategies and to drive country accountability and responsibility. As appropriate, budget allocations to Department of State mechanisms should reflect integrated planning across health program areas (see *Responsible Transition* section below for considerations for non-Department of State mechanisms).

This approach also provides flexibility to respond quickly to performance or compliance issues, including the ability to adjust, terminate, or mobilize new implementing mechanisms as needed. Where feasible, funding will be obligated through bilateral assistance agreements, such as Strategic Objective Assistance Agreements or Limited Scope Project Agreements.

Department of State Government-to-Government Agreements

Government-to-government (G2G) agreements will serve as a strategic bilateral assistance tool across Department of State programs, including for MOU implementation. Channeling resources through recipient country government structures, where appropriate, supports country ownership. G2G agreements are also a vehicle through which the Department of State may advance commercial partnerships and introduce and scale American-led innovations.

Risk analyses conducted by the Department of State will inform whether the Department of State initiates a G2G agreement and its scope in a given country. All G2G agreements should be designed to be performance-based, with a focus on building sustainable recipient country government capacity, allowing for accelerated transition to country-led systems while maintaining robust accountability mechanisms. All GHP-funded G2G agreements must comply with

Department of State-issued G2G assistance technical guidance to ensure consistency and appropriate risk management.

Department of State G2G agreements will complement and build on, as appropriate, existing agreements with specific recipient country government entities, including at sub-national levels. The progress made through years of implementation through these mechanisms should be preserved and responsibly transitioned as State moves to on-budget G2G mechanisms over time.

Performance-Based Approach

The Department of State will shift from a traditional input-based award design to performance-based payment structures to accelerate program performance and strengthen accountability. This approach will link payment to the achievement of measurable results, incentivizing strong performance and enabling rapid course correction when needed. These performance-based approaches will apply to all new and existing implementing mechanisms across agencies, including G2G agreements, awards to non-government implementers, and all other assistance instruments.

Awards should be designed to link payment to performance metrics or milestone achievement, with a cost reimbursement model used only when no contractible performance or milestone indicators can be identified, essential services cannot be interrupted, or verification systems are not sufficiently robust. Current awards should be modified to incorporate performance-based provisions to ensure consistency across the portfolio. The Department of State expects new or ongoing awards with cost reimbursement to be rare.

Responsible Transition

To support a responsible transition to the implementation approach outlined above, high-performing implementing mechanisms managed by non-Department of State agencies that are currently funded for GHP implementation may be utilized to support effective and efficient transition to Department of State mechanisms, under limited conditions. Ensuring continuity of life-saving services remains a key priority throughout this transition.

Existing CDC and Department of War Mil-Civ implementing mechanisms, including national and sub-national G2G agreements, may continue to be utilized for GHP implementation until their period of performance end date to support the transition to Department of State mechanisms. For purposes of this guidance, period of performance end dates should be the performance end date of the agreement as of September 30, 2025 (i.e., any modifications executed after September 30, 2025 to extend performance end dates shall not be taken into consideration).

Exceptions:

- In countries with HIV funding allocations ending in FY 2027 or FY 2028, transition to a Department of State award may not be the most efficient use of resources. In this circumstance, a country health team can extend the period of performance of an existing, non-Department of State mechanism for the duration of the HIV funding allocation.
- If the capability of a CDC or Department of War prime implementer, including local implementers, can be accessed through an existing Department of State mechanism for which that entity serves as prime implementer, transition to the Department of State mechanism should be prioritized over utilizing the existing non-Department of State mechanism.
- Department of War Mil-Mil program mechanisms are not subject to these end date restrictions and can continue to be utilized for Mil-Mil programming for the duration of HIV programming in country.
- If the transition of a non-Department of State award expiring at the end of FY 2026 is anticipated to cause significant disruption to lifesaving services or critical systems and infrastructure, country health teams should alert GHSD. Such situations will be addressed on a case-by-case basis.

In limited circumstances, if appropriate Department of State mechanisms are not available to support integrated health program implementation in alignment with multi-year plans, existing CDC and DOW agreements may be utilized for implementation of non-HIV resources in addition to HIV resources, in alignment with the above period of performance conditions. The purpose of these modifications should be to position award activities to transition into integrated

government service delivery platforms. If this option is taken, the award must also be modified to a performance-based model in addition to its scope being expanded. The GHSD Front Office must review and approve any proposed modification/expansion.

As non-Department of State awards transition to Department of State mechanisms, responsible transition should include continued non-Department of State technical engagement in close collaboration with Department of State personnel. This technical activity monitoring should be done to support limited State staffing for technical oversight and should help to maintain optimal impact of U.S. Government investments.

CONSIDERATIONS FOR U.S. MISSION ORGANIZATIONAL STAFFING STRUCTURES TO IMPLEMENT GLOBAL HEALTH PROGRAMS

Background

The AFGHS aims to save lives, strengthen health systems, enhance efficiency, foster self-reliance, and ensure U.S. health foreign assistance benefits American safety, strength, and prosperity. The AFGHS requires U.S. Missions, under Department of State leadership, to negotiate, design, and manage strong health programs that facilitate responsible transition to recipient country ownership. Planning for this execution includes ensuring U.S. government staffing and functional organizational structures are effective, efficient, and aligned with the goals of the AFGHS and bilateral health Memoranda of Understanding (MOU) and multi-year strategic plans. GHSD provides the following principles for Chief of Mission (COM) consideration.

Note: these principles apply to staffing for implementation of programs supported by Global Health Program (GHP) funds administered by the Department of State. Note that other U.S. government agencies may have a need and may consider supporting activities with additional staff using their respective direct appropriations.

Principles for Consideration

1. **Chief of Mission Leadership:** GHSD, with concurrence of the relevant Department of State regional bureau, asks each COM to lead execution of the AFGHS at embassies. COMs determine the best approach to managing integrated health portfolios to ensure successful implementation, oversight, and transition to country self-reliance. GHSD can offer consultation; however, staffing and functional organizational structures are at the discretion and approval of Embassy Front Offices. Because Department of War (DOW) will maintain Mil-Mil activities, DOW is authorized to maintain locally employed staff positions and internal reporting structures at post to support execution of the AFGHS, while maintaining close coordination with Department of State and COM oversight.

2. **Health Foreign Assistance Lead:** Each COM at posts with foreign assistance for health or health security is requested to identify one lead Department of State employee with the appropriate grade, experience, and senior-level diplomacy skills to lead its health foreign assistance portfolio. If a Department of State health Foreign Service Officer is already serving in this role, deference can be given to continuing that arrangement. In some cases, the most appropriate staff member for this role may be employed by another U.S. government agency, and the COM may therefore choose to request that this person serve as the Health Foreign Assistance Lead. In this situation GHSD should request from the hiring agency that a formal detail to the Department of State be executed between agencies. In most circumstances, such details should not be for more than three years, allowing time for post to identify an appropriate lead employed by the Department of State. GHSD is available to support planning for and provide additional guidance on Department of State hiring, as needed.

3. **One USG Team:** All U.S. government staff at a Post implementing Global Health Program (GHP) account-funded programs should work in concert as part of a single organizational structure, led by the Health Foreign Assistance Lead, to achieve the goals of the AFGHS and MOU Implementation Plans or Multi-Year Plans. To leverage the depth of

expertise among current staff and ensure efficient use of funding, Posts should consider operations with this One USG Team principle in mind. Parallel roles among agencies should be avoided; partially or fully GHP-funded staff may support functions across the interagency GHP-resourced health portfolio as needed and consistent with the funding sources for their positions and their technical skills.

GHSD recommends that each COM review and consider restructuring staffing and formal organizational structures to meet embassy needs in reaching MOU or Multi-Year Plan goals. Embassies should make strategic adjustments as needed to execute the AFGHS, taking into consideration the operational and technical skills needed for effective implementation through new or priority modalities such as annual program statement addenda and G2G agreements. The Department of State assumes that there may be significant restructuring of GHP-resourced positions at Post to ensure seamless execution of the AFGHS.

Embassies should leverage the significant expertise and knowledge of current U.S. government employees and ensure that staffing decisions reflect an effort to retain this expertise. If needed to support critical functions, embassies could also consider creating new Department of State positions and use Department of State-managed institutional contracting mechanisms, including financial and legal oversight functions. If any U.S. Direct Hire staff at Post with experience in either global health security and/or award management will not have an ongoing role at the Embassy, and they are willing to relocate to another Embassy either in the region or globally, please inform GHSD to ensure this expertise is not lost.

U.S. government staffing and functional organizational structures will need to be reassessed over time and against the goals of the MOU implementation plan or multi-year plan, as recipient countries take on greater ownership and U.S. government program needs evolve.

GHSD is available to support planning as COM/post determines the optimal staffing structure. Staffing decisions should align with budget allocations

documented in MOU Implementation Plans and Operational Plans (see *Budgeting for U.S. Government Operations* section of this document).

4. **Award Management:** AFGHS implementation will require judicious award management and oversight by U.S. government staff. Under the One USG Team approach, Post should leverage and incorporate health staff across U.S. government agencies into activity management teams as available, if the individuals have requisite technical skills, subject to the terms of any relevant interagency agreement, any required congressional notification, and the type of funding (i.e., relevant Department of State Global Health Programs health area funds) used for the other agency employee's salary and benefits. Formal Contracting Officer Representative/Grants Officer Representative (COR/GOR) roles and responsibilities must remain aligned with the relevant agency (i.e., only a Department of State-designated Contracting Officer Representative/Grants Officer Representative (COR/GOR) may provide official communication regarding technical and strategic direction to the implementer of a Department of State award).

FUNDING FOR DEPARTMENT OF WAR MILITARY-MILITARY PROGRAMMING

Starting in FY 2027, Mil-Mil programs will be funded by direct transfers from GHSD to the Department of War outside of the bilateral MOU/program budgets (with the exceptions of Uganda and Ethiopia). Therefore, MOU Implementation Plans and Multi-Year Plans should not include budget allocations for these Department of War (DOW) costs. As noted, this is excepted for Uganda and Ethiopia, where DOW Mil-Mil programs will be funded entirely through bilateral MOU budgets. In some countries, Mil-Mil program budgets negotiated with recipient governments may be in excess of the central funds GHSD is transferring to DOW. In these situations, U.S. government teams, in alignment with the recipient country governments, should allocate MOU program budget resources to support additional DOW program costs as part of planning processes. Country teams should take the breadth of DOW activities into consideration, regardless of

funding source, and maintain Department of War staff engagement in implementation planning.

CDC MANAGEMENT AND PROGRAMMATIC SERVICES SCHEDULE OVERVIEW

The U.S. Centers for Disease Control and Prevention's long-standing technical and operational capabilities and deep experience in closely collaborating with the Department of State will support effective AFGHS implementation. The provided *Management and Programmatic Services Schedule* outlines the types of services, and associated costs, for which GHSD can partner with CDC toward this effort. This Schedule will serve as the basis for structuring funding transfers from the Department of State to CDC to support these services. The cost of each service (detailed in Figure 1) paired with per service fees to incorporate ICASS and Capital Security Cost Share (detailed in Figure 2) represents the full CDC cost of doing business associated with implementation, including staffing costs for both headquarters-level and in-country personnel. Note that these costs do not incorporate any other associated program implementation costs beyond CDC costs of doing business, such as those related to laboratory infrastructure or health worker training. CDC is the preferred provider of the services listed in the *Management and Programmatic Services Schedule*. Contact CDC's Office of Integration and Coordination at GHC-OIC@cdc.gov to discuss services requested in further detail prior to finalizing budget allocations.

CENSUS FEE SCHEDULE OVERVIEW

The U.S. Census Bureau is available to support countries receiving GHP-funded health assistance in strengthening the demographic, geospatial, and statistical systems required to meet the end states articulated in MOU Implementation Plans and Multi-Year Plans. These systems form the backbone of reliable population denominators that are essential for outbreak detection, risk assessment, vaccination planning, and monitoring progress toward national and bilateral health security

commitments. See the *Census Bureau Fee Schedule* for a menu of functional areas and cost estimates for Census Bureau technical support. Contact the Census Bureau's IPC technical team at oliver.p.fischer@census.gov to discuss any services of interest prior to finalizing associated budget allocations.

BUDGETING FOR U.S. GOVERNMENT OPERATIONS

FY 2026: Identifying Source of Funding for USG Costs

The 6-10% cap reserved for U.S. government management and operations costs does not apply to FY 2026. U.S. government teams should allocate budgets to maintain necessary management and operations functions while transitioning to the operational model identified for FY 2027. See below budgeting guidance for FY 2027 and beyond.

FY 2027 and Beyond: Identifying Source of Funding for USG Costs

The below table delineates the use of USG Cost of Doing Business (6-10% "Cap") and MOU/Program budget allocations by cost type. U.S. government teams should allocate budgets according to this guidance for FY 2027 and beyond. See above guidance for FY 2026.

	Funded via USG Cost of Doing Business (CODB) Budget (6-10% "Cap") *Budget allocations should be planned during internal USG integrated health operational plan development*	**Funded via MOU/Program Budget** *Budget allocations should be planned during MOU Implementation (or Multi-Year) Plan development*
Program implementation through implementing mechanisms		**All costs of GHP-funded program implementation through G2G agreements and other implementing mechanisms** *Exceptions: Department of War Military-to-Military program costs (with the exception of Uganda and Ethiopia), risk management costs, and other costs delineated explicitly on the USG CODB side of this table*
Risk management	**Audits** *i.e., process metric audits, supply chain audits, co-investment audits, and statutory and regulatory compliance audits (note: outcome metrics are measured via surveys that should be funded through MOU/Program budgets).* *Note: Budgets should be allocated to a Department of State implementing mechanism with specific award details identified during operational plan development. These costs should be categorized under area of cooperation 2.6 Strategic Assistance, Risk Management sub-category.* **G2G Ministerial Review/Risk Assessment costs**	**Local Fund Agent** *Relevant for countries with planned implementation through G2G agreements.* *Note: LFA services are estimated to cost $1-4M. Budgets should be allocated to a Department of State implementing mechanism, with specific award details identified during operational plan development. These costs should be categorized under area of cooperation 2.6 Strategic Assistance, Risk Management sub-category.*
USG costs of doing business	**Department of State: all costs of doing business** *e.g., staff salaries/benefits, staff program travel, ICASS, Capital Security Cost Share, computers/IT services, etc.*	

	Department of War: all costs of doing business for Military-Civilian programming and (in Uganda and Ethiopia only) Military to Military programming. *e.g., staff salaries/benefits, staff program travel, ICASS, Capital Security Cost Share, computers/IT services, etc.* *Note that Department of War costs of doing business for Military-Military programs will be funded directly by headquarters and not through bilateral CODB budget (with the exception of Uganda and Ethiopia)*	
		Census Bureau: fees for any selected services *Budgets should be tagged to "Census Bureau Fee Schedule" in the Budget Details Mechanism column and should be categorized under the appropriate sub-category in area of cooperation 2.6 Strategic Assistance.* **Consult Census Fee Schedule to identify appropriate budget allocation*
	HHS/CDC: fees for "required" services (see guidance below), plus associated ICASS & Capital Security Cost Share costs, at appropriate Tier* **Consult CDC Management and Programmatic Services Schedule to identify appropriate budget allocation.*	**HHS/CDC: fees for any other selected services, plus associated ICASS & Capital Security Cost Share costs, at appropriate Tier*** *Budgets should be tagged to "CDC Fee Schedule" in the Budget Details Mechanism column and should be categorized under the appropriate sub-category in area of cooperation 2.6 Strategic Assistance.* **Consult CDC Management and Programmatic Services Schedule to identify appropriate budget allocation.*

Guidance on "Required" CDC Management and Programmatic Services

For countries without current PEPFAR-funded CDC staff positions, there are no "required" services that must be purchased from CDC.

For countries with current PEPFAR-funded CDC staff positions:

1. *Award Management (Service #1)* is considered a required service and must be purchased. This service should be funded through the USG Cost of Doing Business budget (6-10% "cap") in years where there are still active CDC agreements in the country.

   Note: In future years, countries *may* continue to purchase *Award Management*, even if CDC agreements in those countries are no longer active, for CDC staff to support management of Department of State awards. This service should continue to be funded through the USG Cost of Doing Business budget.

2. For countries with planned or continuing CDC or State government-to-government (G2G) agreements, *G2G Agreement Management (Service #2)* is considered a required service and must be purchased. This service should be funded through the USG Cost of Doing Business budget (6-10% "cap"). This service should be funded through the USG Cost of Doing Business budget (6-10% "cap") in years where there are still active CDC G2G agreements in the country.

   Note: In future years, countries *may* continue to purchase *G2G Agreement Management*, even if CDC G2G agreements in those countries are no longer active, for CDC staff to support management of Department of State G2G agreements. This service should continue to be funded through the USG Cost of Doing Business budget.

3. For countries with an annual budget in MOU Year 2027 of greater than $125,000,000, the following services are additionally considered required services and must be purchased unless GHSD approves a change. These services should be funded through the USG Cost of Doing Business budget

(6-10% "cap"). Given the technical nature of these services, each activity should be detailed in the MOU Implementation Plan narrative.

- Surveillance planning, implementation support, and monitoring, with data review, analysis, visualization, modeling, and use (Service #3)
- Population health and biomarkers surveys with essential integrated diagnostic networks, specimen transport, and quality testing (as required in the MOUs) (Service #9)
- Laboratory quality management systems, accreditation, biosafety, and waste management (where lab services are planned as part of the MOU) (Service #15)
- Health data quality assessment (DQA) and verification, with management, analysis, visualization, and use of data for program and partner monitoring, evaluation, and accountability (Service #23)
- If FETP is planned as part of the MOU, Field Epidemiology Training Program (FETP) (Service #25)

Note: For countries with an annual budget below $125,000,000 in MOU Year 2027, the above services in item 3 *may* be purchased and funded through the MOU/Program budget.

Note on USG Cost of Doing Business budget shortages

If a country's USG Cost of Doing Business budget (6-10% "cap") is insufficient to support the applicable "required" services after accounting for all budgeted needs, the U.S. government country team should schedule a consultation with GHSD headquarters to review options.

Note on allocating budgets by health area

All USG budget allocations should utilize health program funds aligned with the health area activities and anticipated outcomes. All GHP funding for USG staff positions should be appropriately allocated based on the position's scope. In each country, both USG Cost of Doing Business (the 6-10% "cap") and MOU/Program budget allocations include funds for all health program areas with active country programming.

Budgeting for Implementing Mechanism Closeout Costs

Implementing Mechanism closeout costs should be funded through the USG Cost of Doing Business budget (6-10% "cap") where sufficient funding is available or through the MOU/Program budgets. Funding for closeout costs should be categorized under financial classification area of cooperation 2.6 Strategic Assistance, Closeout Costs sub-category.