

# A Community Guide to the Global Fund's Allocation Methodology 2017-2019

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**Regional Platform**  
for Communication and Coordination  
on HIV/AIDS, Tuberculosis and Malaria  
For Anglophone Africa

BEFORE WE BEGIN...

WHAT DOES “ALLOCATION METHODOLOGY” MEAN?

## ALLOCATION METHODOLOGY



THE GLOBAL FUND'S PROCESS FOR DECIDING HOW MUCH MONEY SHOULD GO TO DIFFERENT COUNTRIES AND DISEASES

### INTRODUCTION

The Global Fund's Strategy for 2017-2022: “Investing to End Epidemics” aims to focus on the countries with the highest burden of HIV, TB and malaria and with the least ability to pay for these programs. It also aims to focus on key and vulnerable populations disproportionately affected by the three diseases. The allocation methodology aims to increase impact by directing a greater portion of the funding to these people and places.

To do this, the Global Fund invests in countries, regions, and other strategic initiatives. It has a specific policy which helps guide decisions on how money should be divided up by countries and diseases.

- **FUNDING IS DIVIDED INTO TWO MAIN STREAMS:**

#### COUNTRY ALLOCATIONS

This is the money allocated to country-level programs. Countries can expect to receive their envelopes with their allocation amounts for the 2017-2019 period by the end of 2016.

#### CATALYTIC INVESTMENTS

Up to \$800 million will be set aside for Catalytic Investments. This is funding that falls outside of country allocations and will be for three things:

- Incentivizing the use of country allocations for strategic priorities, such as targeting key and vulnerable populations, gender programming and contributing to resilient and sustainable systems for health (*formerly called incentive funding*)
- Multi-country approaches where one grant covers more than one country, either for grant simplicity or to address cross-border disease issues (*formerly called multi-country grants and regional grants*)
- Strategic Initiatives, such as the emergency fund, community, rights and gender initiative, principal recipient strengthening, among others (*formerly called Special Initiatives*)





## IS THERE ANYTHING NEW ABOUT THE ALLOCATION METHODOLOGY FOR 2017-2019?

There are four main changes to the allocation methodology for 2017-2019 compared to the previous policy for 2014-2016:

- There will be no more country “Bands” (or country groupings of any kind).
- No amount of money has been specifically set aside for incentive funding or for regional proposals (however there will likely be funding for both of these things as part of a new pot of money for “catalytic investments”).
- There will be a simplified process for deciding adjustments to country allocations based on qualitative factors and determining the minimum required levels of funding for countries.
- A simplified system will be used to place interventions into the register of Unfunded Quality Demand (things the Global Fund thinks should be funded, but does not have enough funding for at the time).



## HOW WILL THE GLOBAL FUND DECIDE HOW MUCH MONEY COUNTRIES GET?

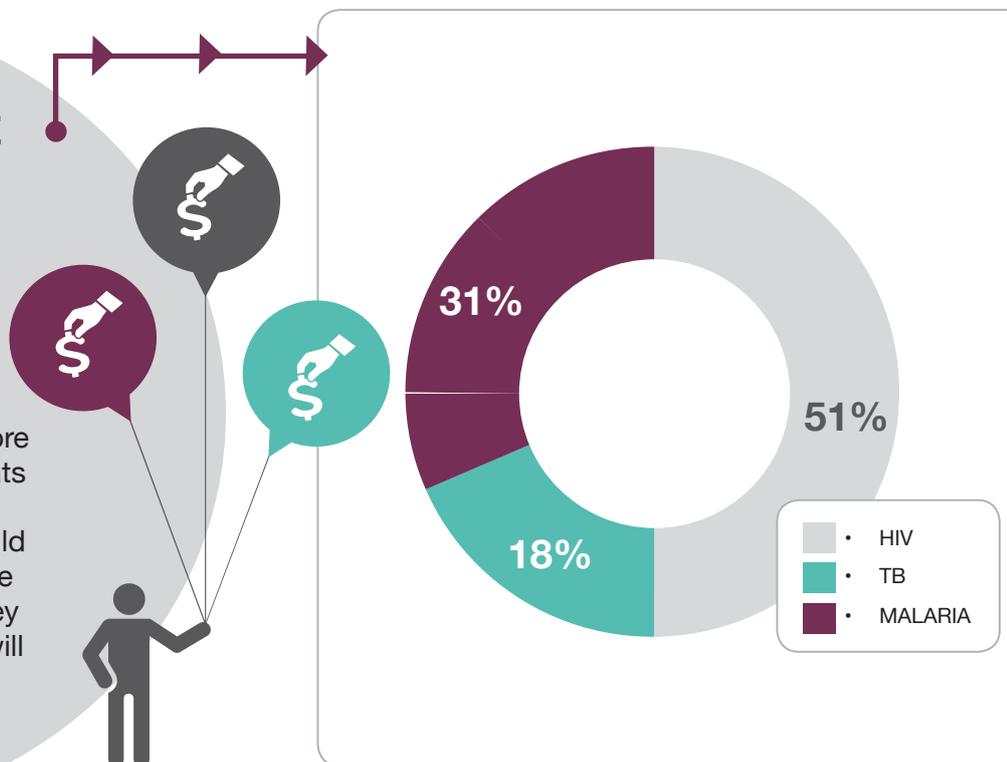
*The Global Fund decides this based on an Allocation Formula. The formula takes into account several factors:*

1. A country’s disease burden
2. A country’s ability to pay (the country’s income level)
3. Maximum and minimum shares (what the highest and lower amount each country can receive)
4. External adjustments based on factors outside of the formula (qualitative factors that the formula misses, such as the strength of a country’s health system or other contextual factors which should impact how much money a country gets)

## HOW WILL FUNDING BE DIVIDED AMONG THE THREE DISEASES?

This is called the “*Disease Split*”

While applicants have flexibility in deciding how to allocate financing among their individual programs, before the Secretariat announces the amounts that are in country envelopes it will decide (roughly) how the money should be divided by the three diseases. The proportion of total Global Fund money for the 2017-2019 allocation period will be divided as follows:



## SIGNIFICANT CHANGES IN FUNDING ALLOCATIONS THAT ARE IMPORTANT FOR US TO KNOW!



There will be a **10%** increase to sub-Saharan African countries in **2017-2019**.



The increase to the overall allocation for sub-Saharan African countries is mostly driven by higher allocations for Southern African countries. East Africa's allocation will grow by just **1%**.



Sub-Saharan Africa will now receive **21.2%** of total Global Fund resources. In the last allocation period (**2014-2016**) sub-Saharan Africa received **16%** of total funds.



There will be a **30%** increase in funding for sub-Saharan African countries with the highest HIV infection rates in women and girls.



There will be a **25%** increase to the top **28** countries with the highest burden of multi-drug resistant TB (MDR-TB).



There will be a **>10%** increase to countries with extreme or severe malaria burden.



There will be a **>10%** increase to sub-Saharan countries for malaria

The Eastern Europe and Central Asia region will go from receiving **4.7%** to **2.4%** of total Global Fund investment. This is a reduction of almost half.

While sub-Saharan African countries will receive a greater proportion of funding in the **2017-2019** allocation period, other regions will receive much less. Latin America and the Caribbean will see their allocations shrink from **3.5%** of total spending to **2%** (a **43%** reduction).

## CONTACT THE REGIONAL PLATFORM

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