ROUND 5 FUNDING – UPDATE BASED ON FORECAST OF RESOURCES AVAILABLE IN 2005

Outline: Additional resources are now available in 2005 sufficient to fund further tranches of Round 5 proposals recommended for funding by the Technical Panel Review ("TRP"). This paper presents the updated position and seeks a Board decision to approve for funding all remaining Round 5 proposals in Category 2A, in total amounting to $235,380,520 over two years.

Decision Points:

1. The Board approves for funding, subject to paragraph 2 below, the proposals recommended by the Technical Review Panel ("TRP") at the eleventh Board Meeting and listed in Annex VI to the Report of the TRP and the Secretariat on Round 5 Proposals (GF/B11/6) and as further listed in Annex I hereto as:

   - Recommended 2A Proposals with Composite index 5.
   - Recommended 2A Proposals with Composite index 4.
   - Recommended 2A Proposals with Composite index 3.

   The Board’s approval is for the amount indicated as ‘Total 2 Years’ in such Annex, and is made with the clear understanding that such amounts are upper ceilings rather than final Phase 1 Grant amounts.

2. The proposal applicants shall provide an initial reply to the clarifications requested by the TRP no later than six weeks after notification in writing by the Secretariat to the applicant of the Board’s decision. Any further adjustments and clarifications shall be completed within four months from the receipt of the initial reply from the applicant. The Board’s approval is conditional on the final approval of the TRP Chair and/or Vice Chair based on consultations with the TRP primary and secondary reviewers.

   The budgetary implications for this decision point are US$235,380,520 over two years.
Part 1: Introduction

1. At its Eleventh meeting, the Board approved for funding, subject to clarifications sought by the TRP, Round 5 Proposals recommended by the TRP which were listed as Category 1, Category 2A with Composite index 8 and Category 2A with Composite index 6.

2. It was also agreed by the Board that the remaining proposals recommended for funding by the TRP as 'Category 2' will be approved (subject to clarifications sought by the TRP and no later than June 30, 2006) as funds become available under the terms of the Comprehensive Funding Policy. This approval was to be granted through Board confirmation by email.

3. The latest forecast of resources available now indicates that additional funds are available in 2005. Consequently, and given that a Board meeting is imminent, this paper seeks a decision to approve the additional tranches of proposals at the twelfth Meeting instead of by way of email confirmation.

Part 2: Updated Forecast of Resources Available in 2005

1. The financial forecast for 2005, contained within the Board paper Forecast of Resources Available in 2006 (GF/B12/10) provides an update of estimated funds available in 2005 to meet further approvals of Round 5 proposals.

2. Since the date of submission of the Board paper GF/B12/10, the estimate of funds available in 2005 has been updated for latest available information.

3. After allowing for Phase 2 renewals in 2005, which rank for funding in priority to new grants in accordance with the Comprehensive Funding Policy, the amount now available for further Round 5 approvals is $278 million.

Part 3: Round 5 Proposals Submitted for Funding

1. Based upon the updated financial forecast for 2005, it is now possible to fund all remaining proposals classified under Category 2A.

2. The proposals that can now be funded are as follows:

<table>
<thead>
<tr>
<th>Composite Index</th>
<th>Total 2 years ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Recommended 2A Proposals Composite index 5':</td>
<td>133,276,403</td>
</tr>
<tr>
<td>'Recommended 2A Proposals Composite index 4':</td>
<td>9,529,070</td>
</tr>
<tr>
<td>'Recommended 2A Proposals Composite index 3':</td>
<td>92,575,047</td>
</tr>
<tr>
<td></td>
<td><strong>235,380,520</strong></td>
</tr>
</tbody>
</table>

3. Round 5 proposals still remaining to be funded are those classified in Category 2B and in total amount to $108,158,607.

4. Residual available funds in 2005, after funding $235,380,520 in respect of the proposals categories identified in Part 3 Paragraph 2 above, is approximately $42 million.
Decision Points:

1. The Board approves for funding, subject to paragraph 2 below, the proposals recommended by the Technical Review Panel ("TRP") at the Eleventh Board Meeting and listed in Annex VI to the Report of the TRP and the Secretariat on Round 5 Proposals (GF/B11/6) and as further listed in Annex I hereto as:

- Recommended 2A Proposals with Composite index 5.
- Recommended 2A Proposals with Composite index 4.
- Recommended 2A Proposals with Composite index 3.

The Board’s approval is for the amount indicated as ‘Total 2 Years’ in such Annex, and is made with the clear understanding that such amounts are upper ceilings rather than final Phase 1 Grant amounts.

2. The proposal applicants shall provide an initial reply to the clarifications requested by the TRP no later than six weeks after notification in writing by the Secretariat to the applicant of the Board’s decision. Any further adjustments and clarifications shall be completed within four months from the receipt of the initial reply from the applicant. The Board’s approval is conditional on the final approval of the TRP Chair and/or Vice Chair based on consultations with the TRP primary and secondary reviewers.

The budgetary implications for this decision point are US$235,380,520 over two years.

This document is part of an internal deliberative process of the Fund and as such cannot be made public. Please refer to the Global Fund’s documents policy for further guidance.
### Prioritization among TRP Recommended proposals

<table>
<thead>
<tr>
<th>No.</th>
<th>Proposal ID</th>
<th>Source</th>
<th>Country</th>
<th>WB Classification</th>
<th>Component</th>
<th>Criteria</th>
<th>Composite Index</th>
<th>Requested Yr 1</th>
<th>Requested Yr 2</th>
<th>Total 2 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>38</td>
<td>CCM</td>
<td>Armenia</td>
<td>lower-middle</td>
<td>Tuberculosis</td>
<td>4</td>
<td>4</td>
<td>$4,451,514</td>
<td>$2,352,250</td>
<td>$6,803,764</td>
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<tr>
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<td>131</td>
<td>CCM</td>
<td>Bosnia</td>
<td>low</td>
<td>Tuberculosis</td>
<td>4</td>
<td>4</td>
<td>$6,385,907</td>
<td>$5,559,624</td>
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<tr>
<td>3</td>
<td>108</td>
<td>CCM</td>
<td>Ghana</td>
<td>low</td>
<td>Tuberculosis</td>
<td>4</td>
<td>4</td>
<td>$2,055,614</td>
<td>$1,355,687</td>
<td>$3,411,301</td>
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<tr>
<td>4</td>
<td>119</td>
<td>CCM</td>
<td>Malawi</td>
<td>low</td>
<td>Tuberculosis</td>
<td>4</td>
<td>4</td>
<td>$4,540,888</td>
<td>$2,870,954</td>
<td>$7,411,842</td>
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<td>22</td>
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<td>Rwanda</td>
<td>low</td>
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<td>4</td>
<td>4</td>
<td>$8,315,906</td>
<td>$6,056,954</td>
<td>$14,372,860</td>
</tr>
</tbody>
</table>

**Recommended 1 Proposals**

Category 1

- Total Recommended 1, 2A(8), 2A(6), 2A(5), 2A(4) and 2A(3)
- Total 2 Years: $725,363,089

Category 2A

- No. 2A Proposal ID | Source | Country | WB Classification | Component | Criteria | Composite Index | Requested Yr 1 | Requested Yr 2 | Total 2 Years |
- 1  | 38          | CCM    | Armenia | lower-middle     | Tuberculosis | 4       | 4             | $4,451,514        | $2,352,250   | $6,803,764    |
- 2  | 131         | CCM    | Bosnia  | low              | Tuberculosis | 4       | 4             | $6,385,907        | $5,559,624   | $12,447,531   |
- 3  | 108         | CCM    | Ghana   | low              | Tuberculosis | 4       | 4             | $2,055,614        | $1,355,687   | $3,411,301    |
- 4  | 119         | CCM    | Malawi  | low              | Tuberculosis | 4       | 4             | $4,540,888        | $2,870,954   | $7,411,842    |
- 5  | 22          | CCM    | Rwanda  | low              | Tuberculosis | 4       | 4             | $8,315,906        | $6,056,954   | $14,372,860   |

**Recommended 2A Proposals with Composite index 3**

- Total Recommended 1, 2A(8), 2A(6), 2A(5) and 2A(4)
- Total 2 Years: $1,946,428,300

**Recommended 2A Proposals with Composite index 4**

- Total Recommended 1, 2A(8) and 2A(6)
- Total 2 Years: $3,040,499,924

**Recommended 2A Proposals with Composite index 5**

- Total Recommended 1, 2A(8) and 2A(6)
- Total 2 Years: $3,830,499,924

**Recommended 2A Proposals with Composite index 8**

- Total Recommended 1, 2A(8) and 2A(6)
- Total 2 Years: $5,140,499,924

**Recommended 2A Proposals with Composite index 10**

- Total Recommended 1, 2A(8) and 2A(6)
- Total 2 Years: $6,130,499,924

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### Prioritization according to Board Policy applicable in Resource Constrained Environments. Please Refer to Policy from 8th Board Meeting (GF/B8/2)

* Used a weighted average for poverty index as the current policy does not address Multi-country situations and rounded up.
<table>
<thead>
<tr>
<th>Category</th>
<th>Group</th>
<th>Type</th>
<th>Description</th>
<th>Priority</th>
<th>ELI</th>
<th>IFI</th>
<th>LFI</th>
<th>MCI</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
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<td>CCM</td>
<td>Burundi</td>
<td>Low</td>
<td>HIV/AIDS</td>
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<td>Cambodia</td>
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<td>HIV/AIDS</td>
<td>1</td>
<td>4</td>
<td>6</td>
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<tr>
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<td>Non-CCM</td>
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<td>HIV/AIDS</td>
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<td>2</td>
<td>3</td>
<td>$1,757,444</td>
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</tbody>
</table>

Note: The figures in Annex 1 have been updated from those included in Annex VI to the Report of the TRP and the Secretariat on Round 5 Proposals (GF/B11/6) to reflect (i) an increase in the Round 5 Nigeria tuberculosis component, as previously reported to the Board, and (ii) a decrease in the Niger Malaria and Democratic Republic of Congo tuberculosis components.