

## 2020-2022 Allocation Frequently Asked Questions

December 2019

### Allocation Methodology

#### **What does the allocation methodology seek to do?**

The Global Fund's allocation methodology seeks to increase the impact of programs to prevent, treat and care for people affected by HIV, TB and malaria, and build resilient and sustainable systems for health.

#### **How much money is available for 2020-2022?**

The Global Fund has allocated US\$12.71 billion for country allocations and US\$890 million for catalytic investments for the 2020-2022 allocation period.

#### **How does the allocation methodology work?**

First, the formula allocates funding within each disease funding envelope based on each country's disease burden and economic capacity (measured by GNI per capita). The formula also maintains minimum and maximum shares to ensure a meaningful and equitable distribution of funding, and accounts for projections of other external financing as well as Global Fund financing received in the previous allocation period. Second, allocations determined by the formula are then reviewed in a qualitative adjustment process, which considers other contextual factors, such as the needs of key and vulnerable populations in HIV, risks of malaria resurgence and coverage gaps in prevention and treatment of all three diseases. The contextual factors were defined and applied under the oversight of the Strategy Committee and Board.

#### **How has the allocation methodology changed from the 2017-2019 period?**

The Global Fund's allocation methodology has been refined to deliver on the goals of the 2017-2022 Strategy and builds on lessons learned from previous allocation periods. On recommendation from technical partners, the current methodology has updated the malaria disease burden indicators to account for country differences in population growth. Within the adjustment to HIV allocations for key and vulnerable populations, trends in general HIV incidence are additional considerations. The qualitative adjustment process has been updated to provide more consideration to issues including program performance, sustainability and transition, and needs for building resilient and sustainable systems for health, while ensuring that all issues are considered holistically in determining the final allocations.

#### **Why have some countries been allocated more or less than in the past?**

Due to a successful Sixth Replenishment, the funds available for the 2020-2022 allocation period are 23% higher than for the previous allocation period. The majority of country allocations have

increased, with significant increases for some countries due to their disease burden. Some country allocations have decreased to better align their share of funding with disease burden and economic capacity, and as a reflection of their progress toward transitioning from Global Fund support.

### **Can a country request a revision of its allocation amount?**

There is no provision for revising a country's total allocation amount. However, countries do have the flexibility to determine the funding split between their disease programs. Applicants are encouraged to include above-allocation requests for program priorities that may be funded through grant savings or portfolio optimization if funding becomes available. These requests are reviewed by the Technical Review Panel.

### **What is the global disease split of the total allocation amount?**

The US\$12.71 billion available for country allocations was distributed to each disease's funding envelope according to the Board-approved global disease split:

- HIV/AIDS – 50%
- Tuberculosis – 18%
- Malaria – 32%

Countries have the flexibility to revise the funding split between disease programs and programs that build resilient and sustainable systems for health. The program split is subject to Global Fund review.

## **Catalytic Investments**

### **What are catalytic investments?**

Catalytic investments aim to maximize the impact and use of available funds to achieve the aims of the Strategy. For this period, US\$890 million is available for key priorities that are unable to be addressed through country allocations alone, yet are critical to accelerate progress in the fight against the three diseases. Catalytic investments are programmed in three ways:

- Matching funds incentivize the use of country allocations for priorities like finding missing people with tuberculosis; providing comprehensive packages for adolescent, girls and young women; strengthening condom programs. Countries receiving matching funds must meet a defined set of programmatic and financial criteria to access the funds, as described in the allocation letters.
- Multi-country approaches focus on areas such as malaria drug resistance and the sustainability of key population programs, where regional coordination is critical.
- Strategic initiatives provide technical support to improve programs, strengthen systems, and catalyze innovation. They also give flexibility to fund off-cycle needs, like emergency responses and the introduction of new technologies.

### **What has been the process to define the 2020-2022 catalytic investments?**

Recognizing the trade-offs between ensuring a sufficient level of scale-up in country allocations and the potential impact of catalytic investments, the overall amount for catalytic priorities was linked to ranges of total funding available to allocate. For the 2020-2022 period, the Board approved \$890 million to fund 26 catalytic priorities.

With extensive partner consultations, all potential investments were evaluated through a prioritization approach considering progress toward the Strategy, operationalization, and lessons learned from the 2017-2019 allocation cycle. Each priority area was also considered within the full range of the Global Fund's policy levers and mechanisms to assess the added value of using catalytic investments to drive impact. The recipients of catalytic investments were determined by reviewing epidemiological, financial and programmatic information specific to each catalytic priority's objective(s).