The Global Fund’s counterpart financing policy and emerging issues on transition

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## Eligibility Requirements

<table>
<thead>
<tr>
<th>Income Level</th>
<th>G-20 Membership</th>
<th>Disease Burden</th>
<th>Focus of application</th>
<th>Counterpart Financing*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Income Countries</td>
<td>No restriction</td>
<td>No restriction</td>
<td>No restriction</td>
<td>5%</td>
</tr>
<tr>
<td>Lower-LMI Countries</td>
<td>No restriction</td>
<td>No restriction</td>
<td>50% focus on specific populations/interventions</td>
<td>20%</td>
</tr>
<tr>
<td>Upper-LMI Countries</td>
<td>No restriction</td>
<td>No restriction</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>Upper-Middle Income Countries</td>
<td>Not member</td>
<td>Extreme, Severe or High**</td>
<td>100% focus on specific populations/interventions</td>
<td>60%</td>
</tr>
</tbody>
</table>

UMICs with low/moderate DB, G-20 UMI with less than extreme DB, and High Income Countries are ineligible.
Defining and Measuring Counterpart Financing

- Minimum threshold requirements - based on country income
- Increasing government contributions to disease programs supported by the Global Fund in the context of increasing government spending for health
- Reliable data for tracking government spending
- Counterpart financing include:
  - Government own revenues
  - Social health insurance
  - Debt relief
  - Loans
What happens if the country is unable to comply with co-financing requirements?

• Provision for exemption in justifiable cases
• Non-CCM countries
• Regional Applications
• Economic, fiscal and/or political crisis

• If non-compliant at the time of funding request:
  • Requirement of action plan for complying with counterpart financing requirements during grant implementation period
  • Incorporated in grant agreement
  • Continued country engagement and monitored during grant implementation
Are incentives/rewards provided to increase domestic financing beyond minimum co-financing required? If yes, what kind?

• 15% of allocation tied to additional government investments for implementing programs supported by the Global Fund

• Incentive funding awarded only to countries that commit to additional government resources
Transition to…?

- Transition Funding - Ineligible countries may receive funding for up to one additional allocation period immediately following their change in eligibility.
- Sustainability plans required for countries no longer eligible for support and LMICs that are likely to transition to a higher income category, but no guidance available.
- 24 countries currently receiving support from the Global Fund will face income-based transition before 2030 in at least one disease component.
- Global Fund currently has no explicit policy on transition.
- Studies on countries that have transitioned from GF support:
  - e.g. China, Mexico, Brazil, Thailand.
- Learning from GAVI, Avahan.
- Transition planning beyond the 3-year grant cycle.

→ New policy under development – thoughts welcome.
Back-up
NGO Rule for HIV/AIDS

UMICs not listed on the OECD’s DAC list of ODA recipients are eligible to apply for HIV and AIDS funding only if the following conditions are met:

• Such country has a reported disease burden of ‘High’, ‘Severe’ or ‘Extreme’;
• The application is submitted and the program will be managed by a nongovernmental organization (NGO) within the country in which activities would be implemented;
• The government of such country shall not directly receive any funding;
• Requests are submitted as a non-CCM or other valid application;
## Disease Burden

<table>
<thead>
<tr>
<th>Category</th>
<th>HIV*</th>
<th>TB*</th>
<th>MALARIA* ‡</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HIV prevalence in population and/or at-risk populations</strong></td>
<td>Combination of TB notification rate per 100,000 population (all forms including relapses); and add WHO list of high burden countries (TB, TB/HIV or MDR-TB burden)</td>
<td>Combination of mortality per 1000 at risk of malaria; morbidity rate per 1000 at risk; and contribution to global deaths attributable to malaria.</td>
<td></td>
</tr>
<tr>
<td><strong>Extreme</strong></td>
<td>HIV national prevalence ≥ 10%</td>
<td>TB notification rate per 100,000 ≥ 300 and high TB, TB/HIV or MDR-TB burden country</td>
<td>Mortality rate ≥ 2 OR Contribution to global deaths ≥ 2.5%</td>
</tr>
<tr>
<td><strong>Severe</strong></td>
<td>HIV national prevalence ≥ 2% and &lt; 10%</td>
<td>TB notification rate per 100,000 of ≥ 100 OR TB notification rate ≥ 50 and &lt; 100 and high TB, TB/HIV or MDR-TB burden country</td>
<td>Mortality rate ≥ 0.75 and morbidity rate ≥ 10 OR Contribution to global deaths ≥ 1% OR country with documented artemisinin resistance</td>
</tr>
<tr>
<td><strong>High</strong></td>
<td>HIV national prevalence ≥ 1% and &lt; 2% OR MARP† prevalence ≥ 5%</td>
<td>TB notification rate per 100,000 of ≥ 50 and &lt; 100 OR TB notification rate per 100,000 ≥ 50 and &lt; 50 and high TB, TB/HIV or MDR-TB burden country</td>
<td>Mortality rate ≥ 0.75 and morbidity rate &lt; 10 OR mortality rate ≥ 0.1 and &lt; 0.75 regardless of morbidity rate OR contribution to global deaths ≥ 0.25% and &lt; 1%</td>
</tr>
<tr>
<td><strong>Moderate</strong></td>
<td>HIV national prevalence ≥ 0.5% and &lt; 1% OR MARP prevalence ≥ 2.5% and &lt; 5%</td>
<td>TB notification rate per 100,000 of ≥ 20 and &lt; 50 OR TB notification rate per 100,000 &lt; 20 and high TB, TB/HIV or MDR-TB burden country</td>
<td>Mortality rate &lt; 0.1 and morbidity rate ≥ 1 OR contribution to global deaths ≥ 0.01% and &lt; 0.25%</td>
</tr>
<tr>
<td><strong>Low</strong></td>
<td>HIV national prevalence &lt; 0.5% and MARP prevalence &lt; 2.5% OR no data</td>
<td>TB notification rate per 100,000 of &lt; 20 OR no data</td>
<td>Mortality rate &lt; 0.1 and morbidity rate &lt; 1 OR contribution &lt; 0.01% OR no data</td>
</tr>
</tbody>
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