Aidspan

Independent observer of the Global Fund

Core provisions largely unchanged in Global Fund’s revised Eligibility Policy

Under the revised Eligibility Policy adopted by the Board, the core provisions remain largely intact. Most of the changes are on the periphery. The revised policy was adopted by the Board at its recent meeting in Skopje, Macedonia. The Board was acting on the recommendations of its Strategy Committee.

Income level and disease burden are still the main determinants of whether a country and its components are eligible for funding. The policy continues to prioritize countries with the greatest disease burden and the least economic capacity. Under the revised policy, gross national income (GNI) per capita remains the indicator of economic capacity.

The only really significant change is that there are new metrics and thresholds used to determine TB disease burden. Other changes include the reduction in disease burden categories from five to two; minor revisions to the metrics and thresholds used to measure the malaria disease burden; and the addition of a criterion on malaria resurgence. See Tables 1–4 for details. Following the tables, we describe additional changes to the Eligibility Policy.

Table 1: Burden categories

Change: The number of categories is reduced from five (“low,” “moderate,” “high,” “severe” and “extreme”) to two (“not high” and “high”).
Rationale: With the advent of allocation-based funding, the five disease burden categories are no longer need They are not used outside the Global Fund. The only category that had any relevance in terms of the Eligibility Policy was “high”: Under the current policy, components from upper-middle-income (UMI) countries had to hav a disease burden of “high” or higher to be eligible for funding. This is retained in the revised policy.

Implications: None.

Table 2: TB burden metrics and thresholds

Changes: (a) Incidence replaces case notification. (b) A new metric on drug resistance is added.

Current policy	Revised policy
UMI countries are eligible to receive an allocation if they have: • a TB notification rate of between 50 and less than 100 per 100,000; OR • a TB notification rate of between 20 and less than 50 per 100,000 and if the country is a high TB, TB/HIV or MDR-TB burden country.	UMI countries are eligible to receive an allocati have: • a TB incidence rate of at least 50 per 100 • the proportion of new TB cases that are d resistant is at least 5%.

Rationale: (a) Incidence is a more accurate reflection of the true burden of TB in a country. TB case notificatio reflects patients diagnosed and reported by National TB Programs. More accurate incidence data are now ava the majority of countries. (b) Resistant TB is a growing threat in many countries.

Implications: The revised TB metrics may result in some previously ineligible countries becoming eligible. The Secretariat calculates that seven countries could be newly eligible for TB. (See Table 5.) Of the seven countri received transition funding for 2014–2016 and four are receiving transition funding for 2017–2019. The Fund s one applied the 2017-2019 allocation formula and assumed that $10.3 billion were available for country alloca would result in these newly eligible components receiving about $14 million (before qualitative or other adjustr is not clear whether this means that the six countries that have received or are receiving transition funding cou to receiving "regular" funding.

Table 3: Malaria burden — metrics and thresholds

Changes: (a) Minor revisions to the current metrics and thresholds. (b) Addition of a metric on artemisinin resistance.

Current policy	Revised policy
UMI countries are eligible to receive an allocation if they have: • mortality rate of at least 0.75 and a morbidity rate of less than 10; OR • mortality rate of between 0.1 and less than 0.75 regardless of morbidity rate; OR • contribution to global deaths of between 0.25% and less that 1.00%.	UMI countries are eligible to receive an allocati have: • mortality rate of at least 0.12; OR • contribution to global deaths of at least 0. • mortality rate of less than 0.12 AND a mo rate greater than 65; OR • country with documented artemisinin resis

Rationale: The changes were recommended by malaria partners because they provide a more accurate pictu current burden.

Implications: No significant changes expected. However, because 2000 data are used, and because these da adjusted regularly to reflect new information, there could be some changes in eligibility. For example, on the 2 eligibility list, there are two UMI countries that newly meet the revised criteria.

Table 4: Malaria burden — Malaria resurgence

Change: Addition of a criterion on malaria resurgence.

Revised policy

Having established that it is not practical to set a threshold to define the level at which a response to a resurgence requires external financing, the Global Fund is adding the following text to the Eligibility Policy: "In the event of an unusual increase in malaria cases in either (a) an upper-middle income country that is currently not eligible due to 2000 data or (b) a low, lower-middle, or upper-middle income country that has (i) been certified as malaria-free by WHO and is included in the official WHO register of areas where malaria elimination has been achieved; or (ii) is on the WHO Supplementary List of countries that are malaria-free but certified by WHO — WHO, in consultation with technical partners, will conduct a risk assessment in line with principles laid out in the WHO Emergency Response Framework. Based on the results of the risk assessment and the recommendation of technical partners, the Secretariat may recommend to the Board that a country be eligible to receive funding, subject to the availability of funds."

Rationale: UMI countries experiencing a significant malaria resurgence may not qualify for eligibility based on 2000 data. Malaria resurgence could be a significant issue not only in ineligible UMI countries but also in low- lower-middle income countries.

Implications: The Global Fund says that as a result of its risk assessment, the WHO and technical partners ma recommend one of two things for an ineligible country experiencing a malaria resurgence: (a) that the country considered for crisis funding outside the Eligibility Policy; or (b) if the resurgence lasts to the next funding cycl that the country be considered eligible for an allocation. In the event of the latter, the Secretariat may seek exceptional Board approval for eligibility. The Fund does not anticipate that many malaria components will require an exception based on current data.

Table 5: UMI countries that could become newly eligible for TB as a result of the change in TB burden metrics and thresholds

Country	TB incidence per 100,000	% of new TB cases tested + for resistance	Comments
Dom. Republic	60	2.9	Receiving transition funding for 2017–2019
Ecuador	50	7.3	Currently ineligible due to lack of burden wi funding in Round 9.
Fiji	59	0.0	Received transition funding in 2014–2016.
Iraq	43	6.1	Deemed eligible for 2017–2019 in line with Became ineligible due to moving to UMI sta transition funding in 2014–2016.
Panama	55	2.9	Receiving transition funding for 2017–2019
Suriname	26	6.1	Receiving transition funding for 2017–2019

Turkmenistan	60	14.0	Receiving transition funding for 2017–2019

Additional changes

G-20 rule

Under the current policy, components from UMI countries that are members of the G-20 are ineligible unless they have an extreme disease burden. In addition, components that become newly ineligible under this clause are not entitled to receive transition funding. This clause had to change because in the revised policy there is no longer an "extreme" burden category.

A significant unintended consequence of the current policy is that Indonesia, which is a member of the G-20, would likely have become ineligible for the 2020–2022 allocation period because the country is expected to be re-categorized soon from lower-middle-income to UMI. The Global Fund did not want Indonesia to become ineligible because the country has a high HIV burden with prevalence estimated at 28.8% for injection drug users, 25.8% for men who have sex with men, 24.8% for transgenders and 5.3% for sex workers. Indonesia has the second largest TB burden in the world, with an incidence rate of 391 cases per 100,000. Also, Indonesia also has a high malaria burden based on 2000 WHO data.

In addition, the Global Fund said, sudden changes in Indonesia's eligibility would jeopardize gains made from cumulative Fund investments of over $1 billion and would impact overall Global Fund and global disease strategy targets. To illustrate, Indonesia accounts for 8% of the global target for number of notified cases of all forms of TB; 5% of the global target for number of cases with drug-resistant TB (RR-TB and/or MDR-TB) that begin second-line treatment; and 3% of the global target for number of adults and children currently receiving antiretroviral treatment.

To remove the G-20 rule entirely could have resulted in nine components from five countries becoming newly eligible. These countries have already transitioned away from Global Fund support. In the end, the Global Fund decided to remove the G-20 rule, but to add a clause stating that components currently ineligible under the G-20 rule will remain ineligible — unless they are eligible under the Exception to the OECD DAC ODA Requirement for HIV (see below).

This decision allows Indonesia to maintain eligibility based on its income and disease burden data. Two other countries that are members of the G-20 are also affected. South Africa would continue to be eligible for HIV and TB as long as it retains UMI status. And India will continue to be eligible if it becomes a UMI country as long as it meets the burden thresholds for UMI countries.

Exception to the OECD DAC ODA Requirement for HIV

This is what used to be called the "NGO Rule." This rule allows for potential eligibility for UMI countries that meet the disease burden thresholds for HIV and are not on the list of official development assistance (ODA) recipients maintained by the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD). Eligibility under this rule is currently linked to the existence of political barriers that preclude the provision of services for certain key populations. Funding provided under this rule must be channeled through civil society and cannot flow directly to governments.

To date, this rule has allowed just one country to be funded: the Russian Federation. Two other countries — Bulgaria and Romania — might have qualified for funding in 2014–2016 and 2017–2019 but they were not deemed to have substantive political barriers to providing services.

There was much discussion about this rule, including about possibly expanding it to include TB and malaria, but in the end only one small change was made: The word “political” was removed from “political barriers.” A footnote has been included in the revised policy clarifying that the Secretariat will assess the overall human rights environment for key populations in countries which may be eligible under this exception.

The Strategy Committee observed that this exception “may perhaps” be better addressed outside the Eligibility Policy. It noted that currently funding for eligible components under this requirement is derived from the country allocation formula, when in fact this funding is meant to be exclusively for civil society and NGOs to fund specific interventions that are not funded by the government due to legislative and/or policy provisions. The committee also noted that significant multi-country funding for key populations in middle-income countries with insufficient resources for transition and difficult policy environments has already been approved as part of the 2017–2019 catalytic funding priorities. Multi-country initiatives can include ineligible countries as long as the total number of eligible countries is at least 51% of the total.

The Strategy Committee was of the opinion that there should be additional discussion on this topic as part of the allocation deliberations, including whether the strategic need which this requirement is meant to address could be better addressed through funding outside of country allocations.

Transition funding

There were some minor changes affecting transition funding. First, the current policy does not provide for any transition funding for G-20 countries which become ineligible upon moving to UMI status. The revised policy allows for transition funding in these cases (unless the countries move to high income status or become an OECD DAC member).

Second, in line with current practice, the revised policy clarifies that the Secretariat may exceptionally request, on a case-by-case basis, one additional allocation of transition funding to support transition activities. The policy states that any additional allocation of transition funding must be accompanied by clear and specific domestic commitments in line with the Sustainability, Transition and Co-Financing (STC) Policy.

Third, with respect to the requirement that 51% of the countries in a multi-country grant must be eligible in their own right, the revised policy clarifies that components receiving transition funding will automatically be considered eligible for the purposes of determining whether a multi-country applicant meets the 51% requirement.

Key population data

The revised policy contains a clarification concerning determination of eligibility for HIV components in UMI countries. In line with current practice, the revised policy states that in the event that there is no officially reported HIV prevalence data for key populations, or if the data is significantly different from the previous year’s data and this results in a change in eligibility, the Secretariat will seek clarification from UNAIDS to determine what disease burden data should be used for assessing eligibility. If UNAIDS did not publish nationally reported data for certain countries because of concerns around data reliability but is nevertheless able to share data from other sources, this data will be used to determine eligibility.

Other issues discussed by the Strategy Committee

OECD DAC ODA Requirement for HIV

Since 2007, there has been a requirement that in order for UMI countries to be eligible for HIV funding, they must meet the disease burden criteria for HIV and also be on the OECD DAC List of ODA Recipients. This list includes all countries and territories eligible to receive ODA. It includes all low-income and middle-income countries with the exception of G-8 members, European Union (EU) members, and countries with a firm date for entry into the EU.

For the 2017–2019 allocation period, there are two countries that are not eligible due to this requirement — Romania and Bulgaria — because they joined the EU in 2007. However, these countries could be eligible if they meet the requirements under the Exception to the OECD DAC ODA Requirement for HIV (see above).

The Strategy Committee discussed whether or not this requirement should be removed, maintained as is, or expanded to TB and malaria. While it noted that removing the rule would not have significant implications on the current portfolio, the committee did not support this option because it felt that the requirement was consistent with broader development policy.

The committee considered the expansion of this requirement to both TB and malaria, noting that the expansion to malaria would affect no countries, while the expansion to TB would affect one country, Romania. While there were some members who supported expansion of the requirement to TB and malaria in order to align with broader development policy, ultimately the committee recommended to maintain the status quo.

Other matters

There were a few other miscellaneous items, including the following:

- In the paper prepared for the Board meeting, the Secretariat noted that there have been extensive discussions on the Eligibility Policy throughout 2017 and early 2018, with four in-person Strategy Committee meeting discussions and three committee telecons.
- In its decision adopting the revised policy, the Board said that the current Eligibility Policy still applies to grant programs originating from the 2017–2019 allocations period.
- The Strategy Committee also discussed the issue of funding non-eligible countries in exceptional circumstances (see separate article [link] in this issue).

Information for this article was taken from Board Document GF-B39-02, Revised Eligibility Policy. This document should be available within a few weeks at www.theglobalfund.org/en/board/meetings/39.

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