



Independent observer  
of the Global Fund

## Round 4 - How it Works

CCMs and other groups in multiple countries are now working hard on their applications for the Global Fund's fourth round of funding. Applications must be submitted to the Fund by April 5. The Fund's Technical Review Panel (TRP) will then review the proposals from May 3-14 and make recommendations to the Board. The Board will then make its decisions at its June 28-30 meeting.

As GFO goes to press, \$904 million is forecast to be available for the first two years of Round 4 grants, with more expected by the time grants are approved. The amounts required for the first two years of Rounds 1, 2 and 3 were \$613 m., \$884 m. and \$623 m. respectively.

Applications will only be accepted by the Fund if they come from a valid CCM, or if they come from some other acceptable organization or group under restrictive circumstances spelled out in the early pages of the Proposal Form and the Guidelines for Proposals, as available at [www.theglobalfund.org/en/apply/call](http://www.theglobalfund.org/en/apply/call).

When the Global Fund Secretariat receives each proposal, it reviews whether the proposal is eligible – i.e. it has been completed properly, and the organization or group submitting the proposal is qualified to do so. If the proposal is eligible it is passed to the TRP, after translation (if necessary) into English.

The TRP is an independent group of 26 experts (see [www.theglobalfund.org/en/about/technical](http://www.theglobalfund.org/en/about/technical)). When they review the proposals, they do so in their personal capacities – they do not share the information with or accept any instructions from their employers or their national governments.

By the end of their two-week meeting, if they operate as in previous Rounds, the TRP will have divided all the proposals into four groups:

- Recommended (Category 1): Proposals recommended by the TRP for approval, for which the TRP

seeks no clarifications or only minor ones.

- Recommended (Category 2): Proposals recommended by the TRP for approval subject to the applicant satisfactorily responding to a number of requests by the TRP for clarification.
- Not Recommended (Category 3): Proposals not recommended by the TRP in their present form, but regarding which applicants are encouraged to submit improved applications in future Rounds.
- Not Recommended (Category 4): Proposals not recommended by the TRP for funding, and regarding which the TRP provides no encouragement that applicants should re-apply in future Rounds.

In allocating each proposal to one of the above Categories, the TRP takes into consideration only technical factors, such as whether the project described in the proposal is technically sound, whether it is one that the specified organization(s) are capable of implementing, whether it represents good use of the money, etc. But the TRP is required to ignore the question of whether it believes the Global Fund has enough money to pay for all the proposals that it is recommending.

The table below shows that in previous Rounds, 37% of eligible proposals were recommended by the TRP for approval.

#### Recommendation Rates in Rounds 1, 2 and 3

	Number of eligible proposals	%
Round 1: Submitted	204	
Of which, Recommended for approval	58	28
Round 2: Submitted	229	
Of which, Recommended for approval	98	43
Round 3: Submitted	180	
Of which, Recommended for approval	71	39
Rounds 1 + 2 + 3: Submitted	613	
Of which, Recommended for approval	227	37

In Round 1, 2 and 3, the Board established the impressive precedent of approving all Category 1 and 2 proposals without going through them on a proposal-by-proposal basis. Clearly, there were some

Category 1 or 2 proposals that some board members did not like, or that came from countries with governments that some board members did not like. But the Board de-politicized the process – and thus avoided potentially endless arguing – by following the advice of the TRP.

In Rounds 1 and 2, this process was rendered easier by the fact that the Fund had plenty of “start-up” funds available. However, in Round 3 there was only just enough money available, as is likely to be the case in Round 4. In Rounds 5 and 6 it is far from certain that there will be enough money available to pay for all Category 1 and 2 proposals. If and when that situation arises, the Board will have to establish ground rules on how to proceed.

Each approved proposal is approved for its first two years. The Secretariat then enters into a lengthy and complex process of: (a) ensuring that the applicant answers, to the satisfaction of the TRP, any questions that the TRP asked regarding the proposal; (b) assessing the ability of the proposed Principal Recipient(s) to perform the role that the proposal assigns to it/them; and (c) negotiating grant agreement(s) with the Principal Recipient(s). It is only after this multi-month process that the first cash disbursement is sent. Thus, although proposals have to be submitted by April 5, it is unlikely that funding will be sent and the project started much before the end of 2004.

Funding for Years 3-5 of approved proposals will be approved – or not – during the second year of project implementation. Funding the renewal of already-started projects will depend on performance in implementing the first two years of the grant, and will take precedence over funding new projects. Round 4 will be the last Round in which new projects will not have to compete for funding with already-started projects.

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