



Independent observer  
of the Global Fund

## CONCERNS RAISED ABOUT POSSIBLE CHANGES TO ELIGIBILITY AND PRIORITISATION CRITERIA

Activists in Latin America and the Caribbean (LAC) have expressed concern that the Global Fund may make changes to its eligibility and prioritisation criteria that may disadvantage lower-middle-income and upper-middle-income countries (LMIC/UMIC), including many in the LAC region.

Eligibility criteria are used to determine which countries are eligible to apply for funding from the Global Fund. Prioritisation criteria are used to rank proposals recommending for funding when there is not enough money to fund all such proposals.

Concerns about the impact of possible changes to the eligibility criteria stem from discussions at the Global Fund replenishment meeting held on 24-25 March 2010 in The Hague. At that meeting, participants examined a report produced by the Global Fund Secretariat on domestic financing for health in Africa and in non-African LMIC/UMIC countries.

The report, which is entitled, "Trends in Developmental Assistance and Domestic Financing for Health in Implementing Countries," revealed that, collectively, African countries remain far short of meeting their commitment in the 2001 Abuja Declaration to allocate 15% of their national budgets to health care. Six countries have either met or exceeded the 15% target. However, for all 52 countries combined, the average general government expenditure on health as a percentage of total government expenditure rose only marginally from 8.8% in 2001 to 9.0% in 2007. The paper also showed that in LMIC/UMIC countries, national health expenditure is for the most part domestically financed, and that contributions from external sources are complementary or marginal.

Shortly after the replenishment meeting, Friends of the Global Fund, Latin America and the Caribbean

(Friends-LAC) released a paper entitled “The Point of No Return,” which referred to the Global Fund report and said, “These findings gave rise to different interpretations during the meeting. There were those who highlighted the importance of the Global Fund to act as a catalyst for specific interventions in LMIC/UMIC countries, which would not be covered by domestic sources.... However, donor voices could also be heard, arguing that, in light of the scarcity of global resources, the Global Fund should no longer finance LMIC/UMIC countries.”

The Global Fund Board is scheduled to review the current eligibility criteria at its meeting in December 2010.

Concerns about the impact of possible changes to the prioritisation criteria stem from the fact that the Global Fund is expected to adopt new prioritisation criteria for Round 10 at its upcoming meeting in Geneva, Switzerland on 28-30 April 2010. The existing criteria incorporate a two-step process, whereby proposals are first classified on the basis of technical merit (as decided by the TRP), and are then given a point-rating based on the country’s poverty level and disease burden. Under the existing criteria, technical merit is given by far the most weight.

It is not known what recommendation will be submitted to the Board for consideration at its April Board meeting. At its last meeting in November 2009, the Board was presented with a recommendation for prioritisation for Round 9 that called for a ranking system based on points, with technical merit accounting for 30% of the points, poverty level 40%, and disease burden 40%. However, the Board decided to stick with the current prioritisation criteria for Round 9, and said that further discussions were required (for Round 10 and beyond).

Up to now, the prioritisation criteria have only been used to decide when, not if, proposals recommended by the TRP will be funded. For example, in both Rounds 8 and 9, formal approval of some recommended proposals was delayed for up to several months because there was not enough money. But all of these proposals were eventually funded. However, in the current resource-constrained environment, it is possible that not all TRP-recommended proposals for Round 10 and for other future rounds will secure funding. If this happens, then the prioritisation criteria would become (de facto) eligibility criteria.

In its paper, Friends-LAC says, “This year, the Global Fund’s Board will approve a new prioritisation model and country eligibility criteria will be reviewed. Unless we speak out loudly and clearly, those countries (much of Asia and Latin America) that are locally investing in health will once again be penalised.”

In a separate paper, entitled “Latin America and the Caribbean Must Not Be Sent to the Back of the Queue Again,” Friends-LAC urged the Global Fund to ensure “that the prioritisation model does not disadvantage Latin America and the Caribbean. Applications must continue to be considered first and foremost on the basis of their technical merit.”

In an email message sent to GFO and others on 31 March 2010, Gracia Violeta Ross, National Chair of the Bolivian Network of People Living with HIV/AIDS (REDBOL), said that if poverty level and disease burden become the main criteria for deciding whether a good proposal gets funded, or is eligible for funding, this will be very detrimental to prevention programming. According to Ross, the Global Fund would be perpetuating the bad practices of development agencies – i.e., focusing on an emergency response instead of focusing on preventing infections and on the underlying causes of the epidemics. Ross also said that if poverty level and disease burden are the main criteria, this could result in a perverse situation whereby some countries let the epidemic grow until the point at which they can qualify for grants.

Friends of the Global Fund, Latin America and the Caribbean (Friends-LAC) is a regional initiative which works to mobilise strategic political and financial support for the fight against AIDS, TB and malaria. The following are all Friends-LAC documents:

- “The Point of No Return,” undated, is available in English at <http://dl.dropbox.com/u/3099411/The%20Point%20of%20No%20Return%20ENG.pdf> (and in Spanish at <http://dl.dropbox.com/u/3099411/El%20punto%20de%20no%20retorno%20ESP.pdf>.)
- “Latin America and the Caribbean Must Not Be Sent to the Back of the Queue Again,” undated, is available in English at <http://dl.dropbox.com/u/3099411/ENG%20-%20Prioritisation%20-%20Friends%20LAC.pdf> (and in Spanish at [http://www.portalsida.org/Article\\_Details.aspx?ID=10409](http://www.portalsida.org/Article_Details.aspx?ID=10409)).
- A related document, “Latin America’s Contribution to the Global Fund,” March 2010, is available in English at <http://dl.dropbox.com/u/3099411/LAC%20contribution%20to%20the%20fight%20against%20AIDS%20-%20FINAL%20ENG.pdf> (and in Spanish at <http://www.observatoriolatino.org/esp/board.php?no=376&tabla=noticias&fuente=index.php&tipo=OBSE>).

“Trends in Developmental Assistance and Domestic Financing for Health in Implementing Countries,” March 2010, produced by the Global Fund, is available in English at <http://www.theglobalfund.org/en/replenishment/hague/documents>.

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