



Independent observer  
of the Global Fund

## ALLOCATION LETTERS SHED FURTHER LIGHT ON CATALYTIC INVESTMENT PRIORITIES

\*Editor's Note: Since the publication of this article, the Global Fund has subsequently made all information about matching funds publicly available on its website:

<http://www.theglobalfund.org/en/fundingmodel/process/catalytic-investment/>

On 15 December 2016, the Global Fund Secretariat notified all countries of their allocation amounts for the 2017-2019 grant cycle (see [GFO article](#)). The allocation letters contain critical information on the funding available for the three diseases, the kind of application that the country is invited to submit (see [GFO article](#)), co-financing requirements, the implementation period for the grants, and whether or not the country is eligible for any additional funding through catalytic investments.

Aidspan has collected 25 allocation letters from CCMs and other country stakeholders in an effort to create greater transparency, particularly around catalytic investment priorities and the eligibility of countries to access matching funds. Aidspan has already made a call for these letters to be made public by the Global Fund (see [GFO article](#)). There is nothing secret or sensitive in the letters and by not making them public, the Fund is failing to live up to its commitment to transparency.

At the country level, catalytic investments called “matching funds” are available to certain eligible countries on top of their allocation amounts. There is \$356 million available for matching funds, across seven priority areas: HIV – Key Populations Impact; HIV – Human Rights; HIV – Adolescent Girls and Young Women; Incentivising Programming of Allocations to find missing TB Cases; Catalyzing Market Entry of New Long Lasting Insecticide Treated Nets (LLINs); Integration of Service Delivery and Health Workforce Improvements; Data systems, data generation and use for programmatic action and quality improvement. 80% of matching funds will go directly to country programs. Matching funds are part of the \$800 million set aside for catalytic investments (see [GFO article](#) for a full list of catalytic investment priorities and amounts).

Although the country allocation amounts are made public on [the Global Fund's website](#), there is very little transparency around how the \$356 million in matching funds will be meted out. This information is (so far) only contained in the country allocation letters. Matching funds are intended to incentivize the programming of allocations towards key strategic priorities. While the exact amount of matching funds will be awarded at the time of funding request review, the allocation letters specify the catalytic investment priority and the amount of matching funds that a country may be eligible for (Table 1).

Table 1: Catalytic investment priorities and matching funds available for select countries over the 2017-2019 grant cycle

Country	Catalytic Investment Priority	Matching Funds Available
Belize	Not eligible for matching funds	\$0
Botswana	HIV: Programs to remove human rights-related barriers to health services	\$1,000,000
	HIV: Adolescent girls and young women	\$1,000,000
Burkina Faso	RSSH: Data systems, data generation, data use	€1,782,200 (approx. \$1,881,700)
Central African Republic	Not eligible for matching funds	\$0
Colombia	Not eligible for matching funds	\$0
Congo (Democratic Republic)	HIV: Programs to remove human rights-related barriers to health services	\$3,000,000
	TB: Finding missing TB cases	\$10,000,000
	RSSH: Data systems, data generation, data use	\$3,000,000
Ghana	HIV: Key populations impact	\$3,600,000
	HIV: Programs to remove human rights-related barriers to health services	\$2,300,000
Guinea	RSSH: Integrated service delivery and health workforce	\$3,000,000
Jamaica	HIV: Key populations impact	\$1,100,000
	HIV: Programs to remove human rights-related barriers to health services	\$1,000,000
Kenya	HIV: Key populations impact	\$10,000,000
	HIV: Programs to remove human rights-related barriers to health services	\$3,800,000
	HIV: Adolescent girls and young women	\$5,000,000
	TB: Finding missing TB cases	\$6,000,000
Lesotho	HIV: Adolescent girls and young women	\$1,500,000
Malawi	HIV: Adolescent girls and young women	\$7,000,000
	RSSH: Data systems, data generation, data use	\$3,000,000
Morocco	Not eligible for matching funds	\$0
Mozambique	HIV: Programs to remove human rights-related barriers to health services	\$4,700,000
	HIV: Adolescent girls and young women	\$6,000,000
	TB: Finding missing TB cases	\$6,000,000
	RSSH: Data systems, data generation, data use	\$3,000,000
Namibia	HIV: Adolescent girls and young women	\$1,000,000
Niger	Not eligible for matching funds	\$0
Nigeria	TB: Finding missing TB cases	\$14,000,000
Rwanda	Not eligible for matching funds	\$0

Senegal	HIV: Key populations impact	€980,210 (approx. \$1,034,935)
	HIV: Programs to remove human rights-related barriers to health services	€1,247,540 (approx. \$1,317,190)
South Africa	HIV: Programs to remove human rights-related barriers to health services	\$5,000,000
	HIV: Adolescent girls and young women	\$5,000,000
	TB: Finding missing TB cases	\$6,000,000
Swaziland	HIV: Adolescent girls and young women	\$1,500,000
Tanzania	HIV: Adolescent girls and young women	\$8,000,000
	TB: Finding missing TB cases	\$6,000,000
	RSSH: Data systems, data generation, data use	\$3,000,000
Uganda	HIV: Programs to remove human rights-related barriers to health services	\$4,400,000
	HIV: Adolescent girls and young women	\$5,000,000
Zambia	HIV: Adolescent girls and young women	\$4,000,000
	RSSH: Integrated service delivery and health workforce	\$3,000,000
Zimbabwe	HIV: Key populations impact	\$10,000,000
	HIV: Adolescent girls and young women	\$8,000,000

\*Source: allocation letters

The total amount of matching funds that these countries are eligible for is about \$173 million, nearly half of all matching funds available. Among the countries sampled, Kenya is eligible for the greatest amount of matching funds on top of its allocation, with \$24.8 million in matching funds available across four priority areas.

It is unclear what specific criteria are used to determine the catalytic investment priorities or the amounts for these countries. The Global Fund has stated that catalytic priorities and the associated amounts are pre-defined by the Strategy Committee, with the Secretariat mapping specific disease programs and identifying applicable countries based on epidemiological contexts. Then, matching funds are divided between applicable country components in proportion to their underlying allocation amounts. Potential for impact and country capacity are also taken into consideration. Yet, eligibility for matching funds is not entirely transparent.

Among the 25 countries presented in Table 1, Congo (Democratic Republic), Kenya, Mozambique, Nigeria, South Africa and Tanzania are the only ones eligible for TB matching funds, despite Lesotho, Malawi, Namibia, Swaziland, Uganda, Zambia and Zimbabwe also populating the [World Health Organization's list](#) of the top 30 high burden countries for TB. Not a single country in Table 1 is eligible for malaria matching funds, even though Congo (Democratic Republic), Mozambique, Nigeria, Tanzania and Uganda are five of [six countries](#) that account for 103 million malaria cases each year, nearly half the global total. Congo (Democratic Republic) and Nigeria account for more than 40% of global malaria deaths.

The Global Fund has indicated a list of priority countries for intensive human rights and gender equality interventions over 2017-2022, in line with specific sub-objectives in the Global Funds [new strategy](#) (Figure 1). This may have some bearing over how matching funds for adolescent girls and young women, key populations and removing human rights-related barriers to health services are determined.

Figure 1: The Global Fund's priority countries for intensive rights and gender interventions over 2017-2022, as per the Global Fund Strategy

## Matching Funds

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Matching funds are made available to incentivize the programming and use of country allocations towards strategic priorities of the Global Fund and its partners. It is important to note that matching funds are not guaranteed funding for the country. Instead, matching funds are made available only if certain conditions are met.

To be awarded matching funds a country must demonstrate:

- An increase in the allocation amount designated to the relevant catalytic investment priority, compared to the budget levels in Global Fund grants from the 2014-2016 allocation period. At minimum this designated allocation amount should equal (or be more than) the amount of available matching funds.
- A corresponding increase in programmatic targets and coverage anticipated through both the increased use of country allocations and use of matching funds towards the relevant catalytic investment priority.

Example scenario for accessing matching funds:

Country X is eligible for \$2,000,000 in key populations matching funds. In the last funding cycle (2014-2016), Country X invested \$500,000 of their Global Fund allocation in key population programming. To access the \$2,000,000 in matching funds available to them in the new grant cycle, Country X would have to increase its investment from \$500,000 to a minimum of \$2,000,000 of their 2017-2019 allocation in key population programming. Second, Country X would need to set a corresponding increase in their programmatic targets in line with the total \$4,000,000 in available funding (total = allocation investment + matching funds).

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