

## SEVEN COUNTRIES IN THE EECA REGION PROJECTED TO TRANSITION BY 2025

Following the Global Fund's recent replenishment in September, the country eligibility list for the 2017-2019 grant cycle <u>has been published</u>. This list identifies the countries and disease components that are eligible to receive funding from the Global Fund for the next three years.

## **Eligibility List**

The list is reflective of the Global Fund's new Eligibility Policy, where countries with higher disease burdens and lower income levels continue to be prioritized for investment (see previous GFO article on eligibility). However, just because a country is listed as eligible for Global Fund grants does not guarantee an allocation. The Fund is expected to notify countries of their allocation amounts by mid-December 2016.

Countries in the EECA region have been bracing for limited eligibility and reduced allocations. Aidspan has previously reported that this region's allocation for the 2017-2019 period will be about half the size it was in 2014-2016 (see GFO story).

For this region, the countries and disease components which are eligible for Global Fund grants in 2017-2019 are presented in Table 1.

Table 1: EECA countries listed alphabetically in the income group: eligible disease components and burden

<b>EECA Countries by Income Category</b>	Disease Component	Disease Burden	Eligibility
UMI			
Albania	HIV	Low	Transition 2015

Albania	ТВ	Low	Transition 2015
Albania	Malaria	Low	Not eligible
Azerbaijan	HIV	High	Yes
Azerbaijan	ТВ	Severe	Yes
Azerbaijan	Malaria	Moderate	Not eligible
Belarus	HIV	High	Yes
Belarus	ТВ	High	Yes
Belarus	Malaria	Low	Not eligible
Bulgaria	HIV	High	Not eligible
Bulgaria	ТВ	Moderate	Transition 2016
Bulgaria	Malaria	Low	Not eligible
Georgia	HIV	High	Yes
Georgia	ТВ	High	Yes
Georgia	Malaria	Moderate	Not eligible
Kazakhstan	HIV	High	Yes
Kazakhstan	ТВ	Severe	Yes
Kazakhstan	Malaria	Low	Not eligible
Romania	HIV	High	Not eligible
Romania	ТВ	High	Yes
Romania	Malaria	Low	Not eligible
Turkmenistan	HIV	Low	Not eligible
Turkmenistan	ТВ	Low	Transition 2016
Turkmenistan	Malaria	Low	Not eligible
Upper-LMI	Ividiana	LOW	Trot oligible
Armenia	HIV	Moderate	Yes
Armenia	ТВ	Moderate	Yes
Armenia	Malaria	Low	Not eligible
Kosovo	HIV	Low	Yes
Kosovo	ТВ	Low	Yes
Kosovo	Malaria	Low	Not eligible
Ukraine	HIV	High	Yes
Ukraine	ТВ	Severe	Yes
Ukraine	Malaria	Low	Not eligible
Lower-LMI	Malana	2011	Trot oligible
Kyrgyzstan	HIV	High	Yes
Kyrgyzstan	ТВ	Severe	Yes
Kyrgyzstan	Malaria	Moderate	Yes
Moldova	HIV	High	Yes
Moldova	TB	Severe	Yes
Moldova	Malaria	Low	Not eligible
Tajikistan	HIV	High	Yes
Tajikistan	TB	Severe	Yes
Tajikistan	Malaria	Moderate	Yes
Uzbekistan	HIV	High	Yes
Uzbekistan	TB	Severe	Yes
Uzbekistan	Malaria	Moderate	Yes

UMI = Upper Middle Income, LMI = Lower Middle Income

The eligibility list also includes countries which are currently transitioning to domestic funding: Albania's HIV and TB components as well as Bulgaria and Turkmenistan's TB components will transition out of Global Fund support over the 2017-2019 period. These countries will receive one final transition grant during this time, aimed at facilitating smooth handover by the end of 2019. In accordance with the Global Fund's <u>Sustainability, Transition and Co-Financing Policy</u>, the amount and length of transition funding will be decided by the Secretariat, based both upon the context and upon portfolio considerations. This funding will not exceed a period of three years. In addition, high income countries are not eligible for transition funding.

Bulgaria meets the NGO rule criteria (see Box) of the Global Fund's Eligibility Policy, meaning that country can take the opportunity to revive certain programs which already ended in 2016. Bulgaria's Global Fund HIV grant was meant to end on 31 December 2015, but a no-cost extension carried it into 2016.

Box: NGO Rule in Global Fund's New Eligibility Policy (2016)

Upper-middle income countries not listed on the Organization for Economic Co-operation and Development's (OECD) Development Assistance Committee list of official development assistance recipients are eligible to receive an allocation for HIV and AIDS funding only if they have a reported disease burden of 'High', 'Severe' or 'Extreme' and are eligible to apply for such funds only if the following conditions are met:

- a. Confirmation that the allocation will be used to fund interventions that are not being provided due to political barriers and are supported by the country's epidemiology;
- b. Confirmation that: (i) the application will be submitted by a non-CCM or other multi-stakeholder coordinating body; and (ii) the program will be managed by a nongovernmental organization (NGO) within the country in which activities would be implemented;
- c. The government of such country shall not directly receive any funding; and d. Applicants meet all other applicable requirements as set forth in the Sustainability, Transition and Co-financing Policy, as amended from time to time.

Countries without any eligible components are not included into the list. In the EECA region, the ineligible countries are the Russian Federation (RF), Bosnia and Herzegovina, Serbia, Croatia and Macedonia. This news was expected, as these countries were already aware with regard to their current or impending ineligibility. GFO has reviewed some opinions about program sustainability in RF and Balkan countries (See GFO articles here, here and here).

There is a degree of opportunity for excluded countries to be included in regional or multi-country applications; but even in such cases, a minimum of 51% of participating countries must still be eligible for receiving funding for the disease addressed in the group application.

The Global Fund strongly encourages all upper-middle income countries, regardless of disease burden, and all lower-middle income countries with low or moderate disease burden should be doing sustainability and transition planning over the 2017-2019 period. The STC policy urges these plans to be integrated into national strategic plans.

The EECA region has already made significant steps in transition planning. From 2014, the requirement of the Global Fund was that all programs submitted under the new funding mechanism should contain the transition planning component. Currently, all countries in the EECA are at certain stage of the planning. The priority of all regional programs funded under the new funding mechanism is the empowering of

communities to advocate for increased domestic funding and for risk-free and responsible transitioning. However, maintaining the services for key affected populations in most countries remains uncertain.

Anna Dovbakh, Executive Director of Strategy, Development and Governance Team at Eurasian Harm Reduction Network (EHRN), stated that "using only World Bank economic growth indications are not fair for countries, especially in the case of massive cuts to donor funding for HIV. The Global Fund knows better than anyone that in some countries in the region, the transition to domestic funding will cause the disappearance of all developed services for key affected populations."

## **Transition Projections**

The Global Fund has <u>also published a list of countries</u> which are projected to become ineligible over the next ten years (up to 2025), and will therefore be faced with transition. This list is intended to support adequate planning ahead of transition, encourage timely submissions for transition grants, and help countries identify technical support needs in order to facilitate a smooth and sustainable transition for each country.

The transition projection for the period leading up to 2025 in the EECA region covers seven countries out of the fifteen listed in Table 1. The details are provided in the Table 2 below.

Table 2. Transition Projections 2016-2025 for the EECA Region

Albania (HIV, TB) Bulgaria (TB) Turkmenistan (TB)	These three countries have been newly ineligible since the 2014-2016 allocation period. However, they may receive transition funding in 2017-2019.
Armenia (HIV, TB) Kosovo (HIV, TB)	Projected to become ineligible in 2017-2019, due to the transition of their national income to UMI status. However, they may receive transition funding in 2020-2022.
Romania (TB)	Projected to become ineligible in 2020-2022 as a High Income status country in the periods in question therefore, will not be eligible for transition funding.
Kazakhstan (HIV, TB)	Projected to become ineligible in 2023-2025 as a High Income status country in the periods in question, therefore, will not be eligible for transition funding.

These transition projections are based on forecasted gross national income per capita and current disease burden data. Current disease data is used instead of projected burden following the recommendations of the technical partners (WHO, UNAIDS, Stop TB partnership and Roll Back Malaria). For the most part, the reason given is because the projected disease burden is not very relevant to transition readiness. TB case notification rates and historic malaria morbidity and mortality – the Global Funds eligibility indicators – do not lend particularly well to future projections, either. Further, there are unlikely to be significant changes in HIV prevalence over the next 10 years.

The Global Fund has emphasized that the projection list is to be considered as an additional resource, designed to support long-term transition planning. These transition projections are not intended to be binding determinations or statements of Global Fund policy. It is important to remember that transition projections are based only on current data, and therefore are subject to change or revision at a later point.

Pavlo Skala, Assosiate Director of Policy and Partnership at the Alliance for Public Health-APH in Ukraine said "The changes developed by the Global Fund will help countries to protect key affected populations and will support financial and programmatic sustainability of HIV and TB programs." The APH is a Principal Recipient (PR) of Global Fund Grants in Ukraine. "I am glad," he continues, noting that "the lessons are learned and now the donor will help us to avoid the painful experiences of some EECA countries that just closed programs and missed the transition phase."

