



Independent observer  
of the Global Fund

## GEARING UP FOR TRANSITION FROM GLOBAL FUND SUPPORT: A PRIMER

The Global Fund's approach to supporting sustainability and transition is based on the central premise that planning for sustainability is something that should be taken into account by all countries regardless of where they sit on the development continuum.

In its [Sustainability, Transition and Co-Financing \(STC\) Policy](#), the Global Fund defines sustainability as “the ability of a health program or country to both maintain and scale up service coverage to a level, in line with epidemiological context, that will provide for continuing control of a public health problem and support efforts for elimination of the three diseases, even after the removal of external funding by the Global Fund and other major external donors.”

The Global Fund defines transition as “the mechanism by which a country, or a country-component, moves towards fully funding and implementing its health programs independent of Global Fund support while continuing to sustain the gains and scaling up as appropriate.”

The Global Fund says that the best way to understand transition is to think about two groups of components:

- those that are currently transitioning; and
- those that at transition preparedness stage.

Components that are currently transitioning are those that have been determined to be newly ineligible as per the Global Fund's [Eligibility Policy](#).

According to that policy, once a country reaches upper-middle-income (UMI) status, its disease components are no longer eligible for funding if they have less than a “high” disease burden. The Eligibility Policy allows for up to one allocation of transition funding following a change in eligibility. Transition funding should be used solely to fund activities included in the component’s transition work plan.

(For G20 UMI countries, if a component’s disease burden is less than “extreme,” it is ineligible. G20 UMI countries that become newly ineligible are not entitled to receive transition funding. A country that graduates to the high-income category is also ineligible for transition funding.)

In addition, because early planning for transition is essential, the STC Policy encourages all UMI countries as well as those LMI countries with one or more components with a low or moderate disease burden to strengthen transition preparedness and proactively begin preparing for transition. This does not mean that all of these countries are currently “exiting” from Global Fund support. But it does mean that planning for eventual transition should be a priority, and that considerations for transition should be built into co-financing commitments, grant design and program design.

To support transition preparedness, the Global Fund has also produced a list of components that its projects will transition by 2025 due to changes in income classification. The list is not definitive; it is intended as a resource to support countries in long-term planning for transition from Global Fund support.

#### Currently transitioning

In the 2017-2019 allocation period, there are 12 components at the transitioning stage – i.e. that are (or will be) receiving transition funding and are transitioning now. As [reported](#) previously in GFO, these 12 components are:

Albania HIV	Dominican Republic TB
Albania TB	Paraguay TB
Algeria HIV	Panama TB
Belize TB	Sri Lanka malaria
Botswana malaria	Suriname TB
Cuba HIV	Turkmenistan TB

These components are using the Transition Tailored Funding Request form for their 2017-2019 proposals.

(There are seven other components also currently using the Transition Tailored Funding Request form. They are Costa Rica HIV, Belize HIV, Kosovo HIV, Malaysia HIV, Panama HIV, Romania TB and Suriname HIV. This does not mean these components are ineligible. They are using the Transition Tailored Funding Request form for contextual reasons – such as, but not limited to, having a joint funding request (e.g. TB/HIV) with another component that is transitioning.)

The components using the Transition Tailored Funding Request form are identified in the Global Fund’s Funding Request Status Tracker spreadsheet, available [here](#).

#### In transition preparedness

The list of components that are projected to transition by 2025 is shown in the table below.

Table: List of components projected to transition by 2025

Projected to become ineligible in 2017-2019 based on country move to UMI status and may receive transition funding in 2020- 2022		Projected to become ineligible based on UMI status in 2020- 2022 and may receive transition funding in 2023- 2025
Armenia HIV Armenia TB El Salvador TB El Salvador malaria Kosovo HIV	Kosovo TB Philippines malaria Sri Lanka HIV Sri Lanka TB	Bolivia malaria Egypt TB Guatemala TB Guatemala malaria
Projected to become ineligible in 2017-2019 based on country move to high-income status	Projected to become ineligible in 2020-2022 based on country move to high-income status	Projected to become ineligible in 2023-2025 based on country move to high-income status
Malaysia HIV Panama HIV	Costa Rica HIV Romania TB	Kazakhstan Kazakhstan Mauritius

Source: Global Fund. [Projected Transitions from Global Fund support by 2025 – projections by component](#)

Note: High-income countries are not eligible for transition funding.

#### Report on simultaneous transitions from ACTION

Aidspan was prompted to prepare this explanation to better understand Global Fund transitions by the publication of a [report](#) on simultaneous transitions and the changing landscape of global health financing published by ACTION, a partnership of locally-rooted organizations that advocate for equitable access to health.

ACTION said that the risk of countries experiencing simultaneous transition from various multilateral funders has been widely overlooked, and that it constitutes “a major upcoming challenge in global health.” ACTION also said that there is a significant lack of coordination and planning across funding mechanisms, and inadequate engagement with other critical stakeholders, including government and civil society.

ACTION based its findings on published materials from the four largest multilateral global health funders – the Global Fund; Gavi; the Global Polio Eradication Initiative (GPEI); and the World Bank’s International Development Association (IDA) – as well as interviews with staff from all four funders.

ACTION projected that 36 countries will likely transition from two or more multilateral health financing mechanisms in the next decade – 24 in the next five years alone. The following is a list of the 24 countries that ACTION said were likely to transition from at least two of the four multilateral funding mechanisms in the next five years:

Angola	Cuba	Mongolia
Armenia	India	Myanmar
Bolivia	Indonesia	Nigeria
Cameroon	Kenya	Pakistan
Congo	Laos	PNG

The ACTION report contains a table showing the current transition status of these 24 countries for each of the four funding mechanisms.

It is difficult to compare the list in the ACTION report with the lists maintained by the Global Fund because ACTION lists countries, whereas the Global Fund lists components. (A spokesperson for ACTION told Aidspace that the decision to list countries was intentional, and that ACTION considers transition of at least one disease component in a country to mark the beginning of Global Fund transition in that country.)

The ACTION report shows that two countries – Cuba and Sri Lanka – are currently transitioning from the Global Fund. Cuba's HIV component is on the Global Fund's list of components currently transitioning. Cuba has no other components eligible for support from the Global Fund. Sri Lanka's malaria component is also on the Global Fund's list of components currently transitioning. However, Sri Lanka's other disease components – i.e. TB and HIV – are not currently transitioning from Global Fund support.

The ACTION report shows that another two countries – Armenia and Bolivia – are either in the early stages of transition or are projected to begin transition within the next five years. This is true for Armenia's HIV component and Bolivia's malaria component. However, Armenia's TB component, and Bolivia's HIV and TB components, are not in the early stages of transition and are not on the Global Fund's list of components projected to begin transition in the next five years.

Finally, the ACTION report shows six countries – Angola, Mongolia, Sudan, Timor Leste, Uzbekistan and Yemen – as countries “that have been identified as priorities for sustainability and transition planning by the Global Fund due to their income level and/or disease burden.” None of these countries have components on the Global Fund's list of components projected to transition by 2025. However, the Fund encourages all upper-middle-income (UMI) countries and those lower-middle-income (LMI) countries that have one or more components with a disease burden that is low or moderate to begin preparing for transition. Of the six countries listed in the ACTION report, Angola and Mongolia are categorized as UMI; and the other four countries – Sudan, Timor Leste, Uzbekistan and Yemen – are categorized as LMI and have one or more components that have a disease burden that is low or moderate.

ACTION projects that an additional 12 countries will face simultaneous transitions within the next 10 years: Bangladesh, Bhutan, Djibouti, Egypt, Ghana, Guyana, Honduras, Kosovo, Lesotho, Mauritania, Nicaragua and Zambia. Of these countries, Egypt's TB component is on the Global Fund's list of projected transitions by 2025. Kosovo's HIV and TB components are also on this list; Kosovo does not have any other components eligible for Global Fund support.

ACTION conducted case studies in three countries that it said were at various stages of transition from different institutions – Côte d'Ivoire, Nigeria and Vietnam – to highlight the different realities and challenges of the transition process. None of these countries are on the Global Fund's list of countries with components projected to transition by 2025, and none of these countries are categorized as UMI or as LMI with low or moderate disease burdens. A spokesperson for the Fund said that “while we encourage all countries to proactively incorporate sustainability considerations into grant and program design, Côte d'Ivoire, Nigeria and Vietnam are not among the countries transitioning from Global Fund financing at this time.”

However, as the ACTION report explains, Côte d'Ivoire, Nigeria and Vietnam are in different stages of transition from at least two of the other multilateral funding mechanisms. This could have an impact on the health systems that deliver essential medicines funded by the Global Fund, and on the countries' overall health budgets. The same is true for other countries that may not be on a Global Fund list yet but that are nevertheless transitioning from other funding mechanisms.

