



Independent observer  
of the Global Fund

## WILL THE PROCESS TO APPLY QUALITATIVE ADJUSTMENTS TO THE ALLOCATIONS FOR 2017-2019 REALLY BE MORE TRANSPARENT?

At its last meeting on 26-27 April, the Board adopted an allocation methodology for 2017-2019 (see [GFO article](#)). It does not differ significantly from the methodology used for the 2014-2016 allocations. As before, a disease burden/income level formula will be used to calculate initial allocations for each component. As before, the initial allocations will be adjusted by a series of qualitative adjustments.

The methodology approved by the Board promised “a more transparent, accountable and flexible qualitative adjustment process.” The process was described as follows:

- prior to each allocation period, the Strategy Committee will approve the list of qualitative factors and the process for applying them;
- the Strategy Committee will oversee the adjustment process carried out by the Secretariat; and
- country components whose allocations changed by greater than 15% and greater than \$5 million through qualitative adjustment process will be reported by the Strategy Committee to the Board.

The Strategy Committee will review and approve the list of qualitative factors and the process for applying them at its June 2016 meeting. A [paper](#) presented to the Board at its last meeting in April said that the qualitative factors may include but would not be limited to: major sources of external financing; minimum funding levels; willingness to pay; past program performance and absorptive capacity; risk; increasing rates of new infections in lower prevalence countries; and populations disproportionately affected by HIV and TB, and in low-endemicity malaria settings.

So, instead of the Secretariat managing the qualitative adjustments process mainly on its own, as it did for

the 2014-2016 allocations, for 2017-2019 the Strategy Committee will play a greater role and some additional information will be provided to the Board. Is this what The Global Fund means when it says that the process will be more transparent?

Will the list of qualitative factors approved by the Strategy Committee be released? Will a description of the process for applying the qualitative factors be made public? Will the list of components whose allocations were significantly adjusted be available? Will the amounts of the adjustments for each component be provided to anyone who asks for them? If The Global Fund can answer these questions in the affirmative, that would constitute transparency.

Given our experience with the 2014-2016 allocations, and given the penchant for secrecy of the previous Strategy, Investment and Impact Committee (SIIC), I am not optimistic.

When the 2014-2016 allocations were announced, about the only information that was made public was the final allocation and the suggested component (or program) split for each country. No information was provided on what the initial allocations were for each component based on the disease burden/income level formula calculations, and what qualitative adjustments were made to these initial numbers.

Countries were told that they could propose a modified program split but that the final split had to be approved by the Secretariat. The Secretariat helpfully posted information on the Fund's website concerning for which countries final program splits had been approved, but did not provide the details of the split.

That leaves me wondering whether the process for qualitative adjustments for the 2017-2019 allocations will really be any more transparent.

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