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MORE INFORMATION ON CATALYTIC INVESTMENTS

At its 36th meeting in November 2016, the Global Fund Board approved \$800 million for catalytic investments. Gemma Oberth previously reported on this new funding stream [here](#) and [here](#). Additional information on catalytic investments was contained in a paper prepared for a recent meeting of the Strategy Committee. The Global Fund Secretariat has agreed that Aidspan may report this information.

Catalytic investments are designed to support programs, activities and strategic investments that cannot be addressed through country allocations alone, yet are deemed crucial to ensure Global Fund investments are positioned to deliver against the Fund's strategic objectives. There are three types of funding under catalytic investments: Matching Funds, Multi-Country Approaches and Strategic Initiatives. The budget for each type of funding is as follows:

Matching Funds – \$346 million

Multi-Country Approaches – \$272 million

Strategic Initiatives – \$172 million

Total – \$790 million

There is a \$10 million difference between the total of the budgets for the three types of funding (\$790 million) and the \$800 million approved for Catalytic Investments. The explanation for this difference is that the budget for Matching Funds, which was originally \$356 million, has been reduced to \$346 million. See the table below for further details.

This leaves \$10 million of the \$800 million unallocated.

Matching Funds is designed to promote the use of a portion of a component's allocation to address key

strategic priorities, including for key and vulnerable populations, human rights and data strengthening. Multi-Country Approaches targets a limited number of key, strategic multi-country priorities deemed critical to meet the aims of the [Global Fund's 2017-2022 Strategy](#). Strategic Initiatives are “centrally managed approaches” (i.e. managed by the Secretariat) that cannot be addressed through country allocations due to their cross-cutting nature, or because they do not align with grant cycles.

Below we provide additional information on each type of funding.

Matching Funds

Matching Funds replaces incentive funding from the 2014-2016 allocation period. Matching Funds has six priority areas spread across three components: HIV, TB, and RSSH (resilient and sustainable systems for health). In the table below, we list the countries eligible to receive Matching Funds for each priority area.

Eligible countries were notified of their Matching Fund allocations when they received their allocation letters last December. To access their Matching Funds, countries must set programmatic targets for the relevant priority area that are in excess of the targets for 2014-2016. In addition, they must “match the Matching Funds” – i.e. commit to allocating towards the achievement of the targets an amount of funding from their allocation that is at least equal to the Matching Funds for which they are eligible.

Table: Countries with Matching Funds allocations, by priority area

| Component | Priority area | Allocation (\$ million) | Eligible countries |
|-----------|---|-------------------------|--|
| HIV | Key populations | \$50 m | Benin, Cameroon, Côte d'Ivoire, Ghana, Honduras, Jamaica, Kenya, Myanmar, Sénégal, Ukraine, Viet Nam, Zimbabwe |
| | Human rights | \$45 m | Benin, Botswana, Cameroon, DRC, Côte d'Ivoire, Ghana, Honduras, Indonesia, Jamaica, Kenya, Kyrgyzstan, Mozambique, Nepal, Philippines, Sénégal, Sierra Leone, South Africa, Tunisia, Uganda, Ukraine |
| | Adolescent girls and young women | \$55 m | Botswana, Cameroon, Lesotho, Kenya, Malawi, Mozambique, Namibia, Swaziland, South Africa, Tanzania, Uganda, Zambia, Zimbabwe |
| TB | Finding missing TB cases | \$115 m | Bangladesh, DRC, Indonesia, Kenya, Mozambique, Myanmar, Nigeria, Pakistan, Philippines, South Africa, Tanzania, Ukraine |
| RSSH | Integration of service delivery with workforce improvements | \$18 m | Afghanistan, Benin, Guinea, Liberia, Niger, Sierra Leone, Zambia |
| | Data systems | \$30 m | Bangladesh, Burkina Faso, Côte d'Ivoire, DRC, Indonesia, Malawi, Mozambique, Myanmar, Pakistan, Tanzania, Togo, Ukraine |

Source: The Global Fund

Notes:

1. The amounts in the above table add up to \$313 million. According to the Global Fund [website](#), an additional \$33 million will be made available as Matching Funds for malaria, to catalyze market entry of new generation long-lasting insecticide-treated bed nets.
2. That brings total Matching Funds to \$346 million, which is \$10 million less than the \$356 million originally budgeted for this type of funding. The difference is explained by the fact that RSSH: Data systems, shown in the above table at \$30 million, was originally budgeted at \$40 million.

There is a spreadsheet on the Global Fund website that contains information on the “Available Matching Funds” for each country listed in the above table. The information is available [here](#). Look for “Catalytic Investments: Available Matching Funds” in the orange bar at the bottom of the page.

Multi-Country Approaches

Multi-Country Approaches replaces regional programs from the previous funding cycle. For regional programs, the Fund issued open calls for expressions of interest, and then invited the strongest applicants to develop full proposals. In contrast, most programs funded under Multi-Country Approaches are “pre-shaped” – i.e. they are programs developed by the Fund and its partners. Multi-Country Approaches can be either existing regional programs or new ones. These pre-shaped programs will be supplemented by a limited call for proposals.

Funding for Multi-Country Approaches is allocated to four components and to priority areas within each component, as follows:

- Malaria: \$145 million for malaria elimination in 48 low-burden countries with greatest elimination prospects in Southern Africa, Mesoamerica, and the Greater Mekong Region in Southeast Asia.
- TB: \$65 million for TB in mining settings, and in migrant and mobile populations; for regional laboratory initiatives; and for multi-drug-resistant TB (MDR-TB) policies – all with the goal of finding missing cases.
- HIV: \$50 million for sustainability of services for key populations in middle-income countries facing transition.
- RSSH: \$12 million for building national and regional expertise on procurement and supply chain management.

The Global Fund is currently engaged in a process to determine whether existing regional programs will be continued, refocused or discontinued. This evaluation considers how well programs align with Board-approved multi-country priorities as well as their potential for impact. The outcome of the evaluation is expected to be announced by the Fund in June, at which time GFO will update readers.

Strategic Initiatives

The Strategic Initiatives stream is a re-branding and expansion of the Special Initiatives from the 2014-2016 allocation period. Fourteen Strategic Initiatives (up from six) are spread across RSSH, TB, malaria, and “broader strategic areas.”

More than half of Strategic Initiative funding (\$96 million) is allocated to seven RSSH initiatives, as follows:

- Sustainability, Transition and Efficiency (\$15 million) will, among other things, (a) support sustainability activities in a wide range of countries; and (b) support transition planning and increased technical and allocative efficiency in other high impact select countries preparing for transition. Roll out of this financing will begin in May 2017.
- Technical Support, South-to-South Collaboration, Peer Review and Learning (\$14 million) will

involve providing technical support during the grant cycle; capacity strengthening; and activities such as “mock technical review panels.” Expected outcomes include improved quality of funding requests and improved programmatic outcomes. Likely recipients of this funding include the World Health Organization (WHO), Roll Back Malaria, and UNICEF. Implementation is expected to begin after June 2017.

- Data systems, Data Generation and Use for Programmatic Action and Quality Improvement (\$10 million) will support improved monitoring and evaluation (M&E) plans and strengthened capacity for data generation and analysis. Requests for proposals will be published in April 2017.
- Procurement & Supply Management (Diagnosis & Planning) (\$20 million) – These funds will mostly be awarded to technical experts to support improved country diagnosis and planning of supply chain strategies in certain countries, leading to improved availability of medicines and health products. Country selection was to begin in March 2017.
- Procurement & Supply Management (Innovation Challenge Fund) (\$10 million) will support technical experts to develop new procurement and supply management models, supply chain technology and associated tools. A strategy is expected to be announced during the second quarter of 2017.
- Procurement & Supply Management (Pre-qualification of medicines and in vitro diagnostics) (\$12 million) will be allocated to the WHO for the pre-qualification of medicines and in vitro diagnostics which are procured through Global Fund grants.
- Community, Rights and Gender (\$15 million) is largely a continuation of the existing CRG initiative, which includes [technical assistance](#) for key populations and civil society; support for global networks of key populations and TB/malaria networks (through the [Robert Carr Civil Society Networks Fund](#)); and six Regional Communication and Coordination Platforms, which support civil society and key populations to engage with Global Fund across the grant cycle. This work is currently underway.

Another \$24 million is earmarked for three malaria initiatives: (a) malaria elimination in 21 low burden countries; (b) catalyzing market entry of new long-lasting insecticide-treated nets; and (c) piloting of the new [RTS,S malaria vaccine](#) in Ghana, Kenya and Malawi.

In addition, \$10 million is targeted to TB programs across two strategic initiatives which generally align with the priorities of TB multi-country approaches, i.e. finding missing TB cases.

The remaining \$42 million is allocated to two broader strategic areas – (a) \$22 million for [Technical Evaluation Reference Group](#) (TERG) evaluations on the impact of Global Fund grants; and (b) \$20 million for the Emergency Fund, which aims to prevent disruption in essential services related to the three diseases during emergency situations.

Editor’s note: This article was modified on 16 May 2017 to correct an error concerning the source of funding from the applicant to match the Matching Funds provided by the Global Fund.

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