



Independent observer
of the Global Fund

Round 4 is Biggest Ever

The Global Fund has received proposals costing significantly more in Round 4 than in any of the previous three rounds. Some 320 proposals were received by the deadline of April 5. In a pattern reflecting previous rounds, nearly half the proposals had to be removed by the Secretariat because they were ineligible – for instance, they were submitted by high-income countries, or they did not relate to the three diseases. This left about 175 proposals that were forwarded to the Technical Review Panel (TRP) for evaluation. The TRP was due to complete its deliberations on May 14, and will submit its recommendations to the board in June. On June 28-30 the board will meet and decide which proposals to approve. The results will immediately be made public.

The number of eligible Round 4 proposals received was approximately the same as in Round 3, but the total cost of Years 1-2 (for all submitted proposals) went up, in comparison to the previous round, from \$1.9 billion to \$2.9 billion. This increase was a relief to many observers, who had been concerned at the fact that in Round 3, the number and total cost of both received and approved proposals unexpectedly fell by some 20% from the previous round. They had expected that as the Fund moves from financing pilot projects to financing nationwide roll-out of programs, particularly ones involving treatment, the cost of each round would steadily climb. That expected trend now appears to have been restored with Round 4.

The Round 4 proposals showed an increase over previous rounds in the number that focused on antiretroviral treatment for HIV/AIDS and on the new and more effective (but also more expensive) combination therapy for malaria based on artemisinin. There was also an increase in applications from NGOs and in applications involving co-investment with the private sector.

In previous rounds, as shown in the table below, between 34% and 41% of the dollar value of eligible proposals was eventually approved by the board. If that precedent is followed in Round 4, the cost of Years 1-2 of approved Round 4 proposals will be between \$1.0 and \$1.2 billion. However, in Round 4 it is

likely that the percentage approved will be higher, because some previously unsuccessful proposals have been resubmitted after being reworked, some large new proposals have been submitted based on earlier successes, and WHO assisted many applicants with the preparation of large HIV-treatment proposals. If, for instance, 55% of the dollar value of eligible Round 4 proposals is approved, this would lead to a 2-year cost for Round 4 of \$1.6 billion. That is approximately \$0.5 billion more than the Fund currently projects it will have available.

In the event that insufficient money is available to cover all proposals recommended for approval by the TRP, the board will follow a complex prioritization scheme. For a description of that scheme, see the article “Approving grants when there is insufficient money available” in GFO Issue 20, available at www.aidspace.org/gfo/archives.

Proposals Submitted to the Global Fund in Rounds 1 to 4

	Number of eligible proposals	Percent	Cost of Years 1-2	Percent
Round 1: Submitted	204		c. \$1,500 m.	
of which, Approved	58	28%	\$578 m.	c. 39%
Round 2: Submitted	229		\$2,137 m.	
of which, Approved	98	43%	\$878 m.	41%
Round 3: Submitted	180		\$1,853 m.	
of which, Approved	71	39%	\$623 m.	34%
Round 4: Submitted	c. 175		c. \$2,900 m.	
of which, Approved	Not yet decided			

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