



Independent observer  
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## GLOBAL FUND APPROVES FIFTH ROUND OF GRANTS

At its eleventh board meeting in Geneva on September 28-30, the Global Fund board approved 26 Round 5 grants that will cost \$382 million over the first two years, and provisionally approved, subject to sufficient funding being received next year, a further 37 grants that will cost \$344 m. over the first two years. In total, these 63 “immediately approved” plus “provisionally approved” proposals will cost \$726 m. over the first two years and \$1,774 m. over five years. (For a complete list of approved and non-approved proposals, see [“4. NEWS: Round Five Decisions”](#), below.)

The reason that some of the grants were only provisionally approved is that the Fund is short of cash; this in turn is because 2005 is the first year in which substantial amounts of money need to be spent on renewal of grants from earlier Rounds that have reached the end of their first two years. Grants that have only been provisionally approved will be formally approved in 2006 when sufficient donor pledges are received. However, any grants provisionally approved for which insufficient pledges have been received by the end of June 2006 will become “un-approved”.

In Round 5, the two-year cost of all eligible submitted proposals was up 31% from the Round 4 level; but the cost of those actually approved was down 25% from the Round 4 level. This was partly because only 31% of eligible proposals were regarded as worthy of approved in Round 5 (down from an average of 41% in the three previous Rounds), and partly because fewer proposals involved large scale ARV and malaria program roll-outs.

In Round 5, 37% of HIV/AIDS proposals were approved, similar to Round 4. Only 23% of malaria proposals were approved, down from 46% in Round 4. 46% of TB proposals were approved, up from 38% in Round 4. Round 5 was the first time that proposals were invited for “Health Systems Strengthening”; but only 3 out of the 30 submitted HSS proposals were successful.

The success rates by region ranged from 12% (3 proposals approved out of 25 submitted) in the Eastern Mediterranean, to 59% (10 out of 17) in the Western Pacific.

The Board’s decisions as to which proposals to approve was, as always, entirely based on the advice it received from the Technical Review Panel (TRP), an independent body of 26 experts from around the world. No board members or Secretariat employees are members of the TRP.

The TRP commented that it “was surprised to find that there has not yet been a noticeable trend improvement in the overall quality of proposals reviewed in Round 5 relative to prior Rounds, despite the effect of cumulative experience of several rounds, improved technical support from WHO, UNAIDS and the other technical partners, and the redesigned Proposal Form and Guidelines. Moreover, a significant number of proposals continue to suffer from clearly avoidable weaknesses.”

Elaborating on this last point, the TRP added that it “was also concerned by some instances in which countries, for inexplicable reasons, appear to ignore the TRP’s advice, often given consistently in two or more prior Rounds, and submit proposals suffering from precisely the same serious defects which prevented them being funded previously.”

The board made no decision as to when Round 6 will take place.

The following tables summarize Round 5 results.

Table 1: Results by Round

	Number of eligible proposals	Percent	Cost of Years 1-2	Percent
Round 1: Submitted	204	100%	c. \$1,500 m.	100%
Of which, Approved	58	28%	\$578 m.	c. 39%
Round 2: Submitted	229	100%	\$2,137 m.	100%
Of which, Approved	98	43%	\$878 m.	41%
Round 3: Submitted	180	100%	\$1,853 m.	100%
Of which, Approved	71	39%	\$623 m.	34%
Round 4: Submitted	173	100%	\$2,512 m.	100%

Of which, Approved	69	40%	\$968 m.	39%
Round 5: Submitted	202	100%	\$3,298 m.	100%
Of which, Immediately or Provisionally Approved	63	31%	\$726 m.	22%

Table 2: Round 5 results by disease

	All <u>submitted</u> proposals, 2-year budget split	Number of approved proposals	All <u>approved</u> proposals, 2-year budget split	Percent of submitted proposals approved	Value for column in R
HIV/AIDS	44%	25	40%	37%	
Malaria	25%	13	27%	23%	
TB	14%	22	27%	46%	
Health Systems Strengthening	18%	3	6%	10%	
TOTAL	100%	63	100%	31%	

Table 3: Round 5 results by region

	All <u>submitted</u> proposals, 2-year budget split	Number of approved proposals	All <u>approved</u> proposals, 2-year budget split	Percent of submitted proposals approved	Value for column th in Ro
Africa	75%	32	66%	31%	
Southeast Asia	8%	3	5%	16%	

Western Pacific	4%	10	12%	59%
Eastern Med.	7%	4	4%	12%
Europe	2%	9	4%	43%
Americas	4%	5	9%	38%
TOTAL	100%	63	100%	31%

Table 4: Round 5 results by applicant type

	All submitted proposals, 2-year budget split	Number of approved proposals	All approved proposals, 2-year budget split	Percent of submitted proposals approved	Value for column the in Ro
CCM	93%	58	96%	31%	
Sub-CCM	4%	1	1%	20%	
Regional Org./CCM	2%	2	1%	25%	
Non-CCM	<1%	2	1%	50%	
TOTAL	100%	63	100%	31%	

Other highlights of Round 5 include the following:

- According to the TRP, successful implementation of the approved Round 5 grants over five years will mean that approximately 229,000 people will have access to ARVs, 118,500,000 will receive ACT malaria treatment, 17,000,000 will benefit from bed nets, and 1,533,000 will benefit from DOTS and related TB control activities.
- In Round 5, two approved proposals had five-year budgets in excess of \$100 million. These were from Ethiopia (malaria, \$150 m.) and Nigeria (HIV/AIDS, \$181 m.). And twelve non-approved proposals had five-year budgets in excess of \$100 million. These were from Angola, Democratic

Republic of Congo (2 proposals), Ethiopia, India, Mozambique, Nigeria, South Africa, Sudan (2 proposals) and Zambia (2 proposals). The two most expensive of these were Ethiopia (Health Systems Strengthening, \$348 m.) and Zambia (HIV/AIDS, \$1,033 m.).

- As always, and as required by the Board, the TRP did not take into account availability of funds when it decided which proposals to recommend for approval.
- The budget breakdown of the approved Round 5 proposals was: drugs 21% (down from 38% in Round 4); commodities 20%; planning and administration 14%; human resources 12%; infrastructure 10%; training 15% (up from 8% in Round 4); other 8%.
- Only five countries managed to submit their proposals using the semi-automated PDF version of the application form, owing to the form's technical shortcomings. This was even worse than the situation in Round 4, when only 15 out of 96 countries managed to apply using that Round's on-line version of the application form.
- Further details are available in "[4. NEWS: Round Five Decisions](#)", below, and at [www.theglobalfund.org/en/about/board/eleveth](http://www.theglobalfund.org/en/about/board/eleveth).

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