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Board Ruling Prevents Exclusion of Three Upper-Middle-Income Countries From Round 7 Eligibility

The Global Fund Board has decided that any country whose economy is classified as upper-middle-income, and that had a high enough disease burden to be eligible to apply for Round 6 HIV/AIDS grants, will also be eligible to apply in Round 7. As a result, South Africa, Botswana and Equatorial Guinea will not be excluded from Round 7 eligibility as they would have been if this ruling had not been made.

Under rules in place since before Round 6, organisations from upper-middle income countries are eligible to apply only if they can demonstrate that their country faces a high current national disease burden. For HIV/AIDS, “high disease burden” was defined by a complicated formula – specifically, that adult HIV prevalence multiplied by 1000, divided by Gross National Income (GNI) per capita, must exceed five.

There have been some changes in GNI since the launch of Round 6 such that, if this formula were retained for Round 7, three upper-middle-income countries whose ratios previously exceeded five (South Africa, Botswana and Equatorial Guinea) would no longer qualify for Global Fund financing for HIV/AIDS. The Global Fund says that the change in the eligibility status of these three countries is more closely linked to currency fluctuations that affected the countries’ GNI, than it is to any material increase in the countries’ wealth or decrease in their HIV prevalence.

The new policy adopted by the Board is essentially designed to ensure that these three countries are not unfairly penalized by the currency fluctuations and will be eligible to apply for HIV/AIDS grants in Round 7.

This is an interim policy that applies only to Round 7. The Board plans to discuss (and possibly adopt) more substantive amendments to the eligibility criteria for upper-middle-income countries in time for Round 8. A number of Board members have expressed the view that the current eligibility criteria are too restrictive and that, in certain circumstances, more upper-middle-income countries should be eligible for

HIV/AIDS grant financing than is currently the case.

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