



Independent observer
of the Global Fund

FUNDING FOR LOWEST INCOME COUNTRIES UP BY MORE THAN 20% UNDER NEW FUNDING MODEL ALLOCATIONS

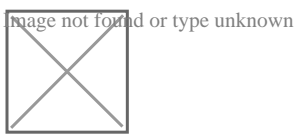
The Global Fund's transition to the new funding model (NFM) is having the desired effect on allocations: more resources are being directed to those countries with high burdens of disease and a low ability to pay.

A recent analysis released by the Secretariat as part of its monthly reporting to the Board puts allocations to countries grouped into Bands 1 and 2 up by around 20% for the 2014-2016 period over the 2010-2013 period. For the other countries, however, funding has flatlined, with only marginal increases over the previous period. Only Eastern Europe and Central Asia (EECA) did not see a funding increase.

Total allocations to countries for 2014-2016 were some \$14.8 billion while disbursements in 2010-2013 totaled \$12.3 billion.

The analysis was based on several metrics. Allocations to the 39 countries in Band 1 increased by 25%, while allocations to countries in the other three bands remained relatively unchanged (see Figure 1).

Figure 1: Recent funding levels and current allocations, by band



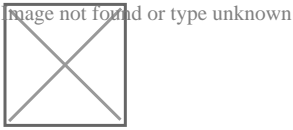
Source for all figures in this article: Progress Update on the New Funding Model: July 2014

Allocations to the 31 countries with the highest disease burden were up 28%. These countries account for

86% of the total disease burden among eligible countries.

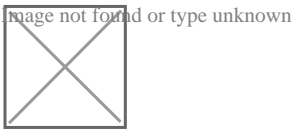
Allocations to (a) low-income countries and (b) the lowest middle-income countries were up by some 20%. The remaining eligible countries — at middle-income range — were flat. (See Figure 2).

Figure 2: Recent funding levels and current allocations, by income level



Regions with the lowest level of recent funding relative to disease burden – Southern Africa, and West and Central Africa – received the greatest increases in funding (see Figure 3).

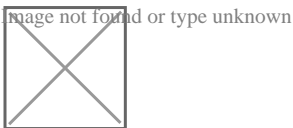
Figure 3: Recent funding levels and current allocations, by region



Funding remained flat in EECA, attributable mainly to their designation as having been over-allocated. Those countries were allocated proportionally less than 100% of recent funding.

Allocations to each disease component were also higher than in previous funding cycles. Malaria earned the highest increase, of 19% over the 2010-2013 period, based on the disease splits applied to countries — which are subject to change. See Figure 4 for details.

Figure 4: Recent funding levels and current allocations, by disease



Notes: HIV/TB disbursements were allocated evenly to HIV and TB. HSS disbursements were allocated proportionally to the disease-specific funding. Historic figures include all funding, regardless of current eligibility.

The progress report showed that only 39% of those components considered over-allocated were hit by the full 25% reduction over recent funding, as outlined in the allocation methodology. This is due to the large existing grants pipeline for those components, which the Board had pledged not to touch. On average, allocations to these over-allocated components were up 22% over recent funding.

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