

Global Fund Board Approves Extension Funding for Some Expiring Grants

As reported in the Board decisions <u>article</u> in GFO 146, the Global Fund Board has approved exceptional extension funding for expiring grants in situations where continuity of funding will be interrupted because Round 11 is being launched later than originally planned. This article provides further details.

This policy is designed to address a very specific problem: applicants that have existing grants set to expire soon and that were planning on using their Round 11 proposal to continue the activities of the existing grants – but that now face an interruption in funding because decisions on the Round 11 proposals will be made at the first Board meeting in 2012 instead of at the last Board meeting of 2011, as originally planned.

This decision applies to all grants that reach the end of their term after 30 April 2012. To be eligible for the extension funding, applicants shall have already applied for funding in Round 11; no other source of funding shall be available to fully continue the activities of the expiring grant; and the expiring grant shall not have been rated "C" in its last two disbursement requests prior to applying for the extended funding.

Under the policy, applicants whose Round 11 proposal is approved can receive extension funding for up to 12 months from the date that of that approval. Applicants whose Round 11 proposal is rejected can receive extension funding for up to three months after the Board announces its Round 11 funding decisions.

There is a ceiling on how much extension funding an applicant can obtain. The ceiling is calculated using a fairly simple formula: the funding period (e.g., three months or 12 months) multiplied by the average monthly amount of actual and projected expenditures for Phase 2 of the expiring grant. The ceiling is

reduced by the amount (if any) of unspent funds at the end of the expiring grant.

Information for this article was taken from the Report of the Finance and Audit Committee, available at www.theglobalfund.org/en/board/meetings/twentythird (see Document BF/B23/6). The policy on extension funding is in Annex 1 of the report.

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