

# Global Fund launches new call for grant applications despite tough economic climate

## Despite the international financial squeeze, Round II applications are called for

The last 10 years have seen an unprecedented increase in global health spending. The availability of such resources symbolised a new dawn of hope and brought results that many people thought impossible. Since its inception in 2002, the Global Fund has approved US\$21.7 billion of funding for 150 countries. These resources have paid for lifesaving antiretroviral therapy for more than 3 million people, treatment of 7.7 million cases of tuberculosis (TB), and the distribution of 160 million insecticide-treated nets.

But the world is now entering a different phase in global health with many traditional donors battling with the economic crisis, forcing many of them to rein in development aid. Despite these uncertainties, and the potential shift in donor interest to more urgent humanitarian needs, the Global Fund continues to intensify its work in mobilising funds to expand its funding in as many programmes as possible in the fight against AIDS, TB, and malaria.

A call for proposals was launched on 15 August, 2011 with a submission due date for applicants of 15 December, 2011 (please see box for information in brief on Global Fund grant applications).

Countries need to meet a set of minimum criteria in order to be eligible to apply for funding. One of them is income classification: low-income and lower-middle-income countries are eligible to apply for funding. The income classification is based on World Bank (Atlas Method) income classifications in July of each year. The Global Fund, however, has since last year also changed its eligibility guidelines to allow funding specifically for marginalised groups even in upper-middle-income countries.

Recognising that inadequate health systems are one of the main obstacles to scaling up interventions to secure better health outcomes for HIV, TB, and malaria, the Global Fund also provides funding for health systems strengthening (HSS) within the overall framework of funding technically sound disease proposals. This year, for the first time, countries are being given the opportunity to submit stand-alone HSS funding requests. This is a departure from previous years when HSS funding requests were an adjunct to disease proposals.

In November of 2009, the Global Fund Board approved a new grant architecture, which introduces significant changes to the organisation's operating procedures. The key feature of the new architecture is the 'Single Stream of Funding per Principal Recipient per disease or cross-cutting health systems strengthening program' or 'SSF'. Through streamlining grants, the new

grant architecture will lead to reduced transaction costs for implementers and will better enable countries to provide effective oversight. At present the Global Fund Secretariat is transitioning countries to single streams of funding on an optional basis. Starting from this year's call for proposals, applicants who are implementing existing grants will be required to submit a consolidated proposal, which will serve the basis moving forward for creating and maintaining SSFs. All new applicants are required to submit proposals which are based on SSF.

Last year, the Global Fund approved 79 grants with a 2-year commitment of US\$1.7 billion to fight the three diseases. Resources of approximately \$1.5 billion have been estimated to be available to fund new proposals until 31 December 2013. In international development, particularly in health, the first decade of this century was dominated by hope and optimism. The Global Fund continues to uphold this optimism and continues to work even harder in mobilising resources to ensure that gains we have made are not lost in the next decade.

### Global Fund application process in brief

- Global Fund Secretariat announces a Call for proposals.
- Country Coordinating Mechanism (CCM) prepares a proposal based on local needs and financing gaps. As part of the proposal, the CCM nominates one or a few Principal Recipients (PR). In many cases, development partners assist in the preparation of proposal.
- The Global Fund Secretariat screens proposals for eligibility and completeness; forwards all eligible proposals to the Technical Review Panel (TRP) for consideration.
- TRP reviews all eligible proposals for technical merit and makes one of four recommendations to the Global Fund Board:
  - Category 1* – recommended for approval without changes (or only minor clarifications);
  - Category 2* – recommended for approval provided that clarifications or adjustments are met within a limited timeframe;
  - Category 3* – not recommended for approval in its present form but encouraged to resubmit following major revision, taking into consideration the TRP's comments;
  - Category 4* – rejected.
- Board approves grants based on technical merit and availability of funds.
- An Internal Appeal Mechanism allows applicants whose proposals were rejected in two consecutive rounds to appeal the second decision.

This article has been written by the Communications Department at the Global Fund headquarters in Geneva.