

# The New Funding Model of the Global Fund

September 2012

# Introduction

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The Global Fund is developing a **new funding model** as part of its transformation

The aim of this presentation is to:

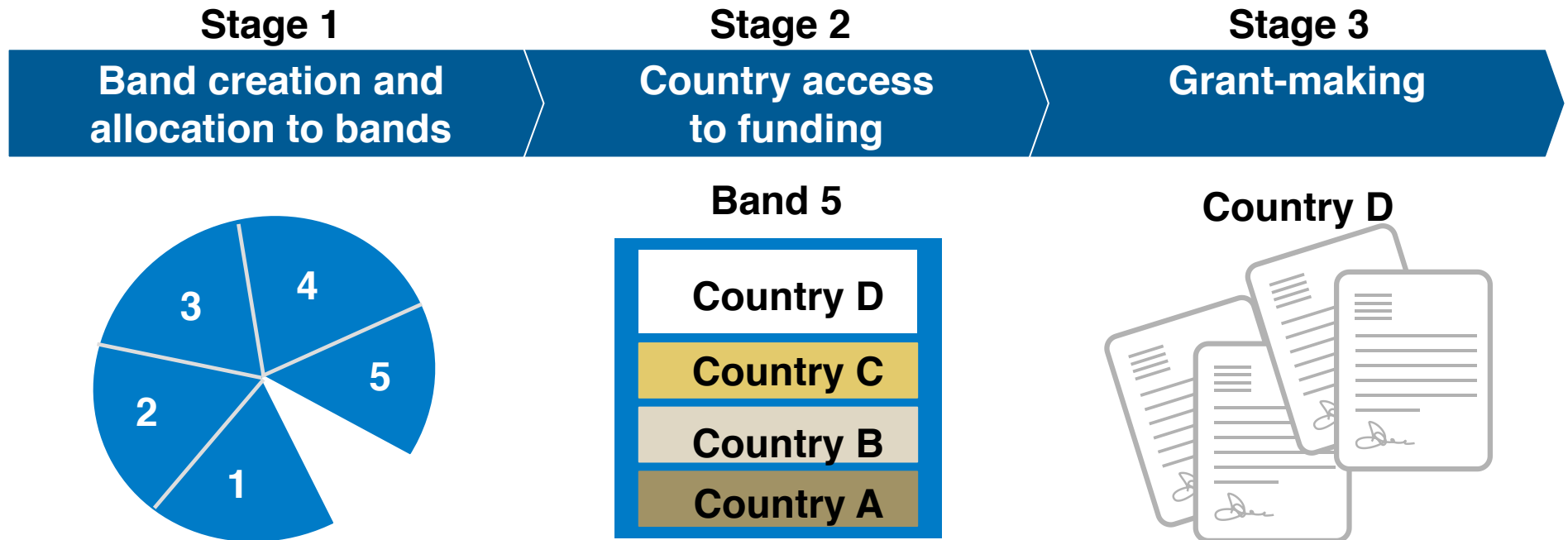
- **Introduce the key principles** agreed at the 27th Board meeting
- **Explain the agreed elements** of the new funding model
- **Describe the next steps and areas of work** to finalize by the 28th Board meeting in November

# Principles for the new funding model

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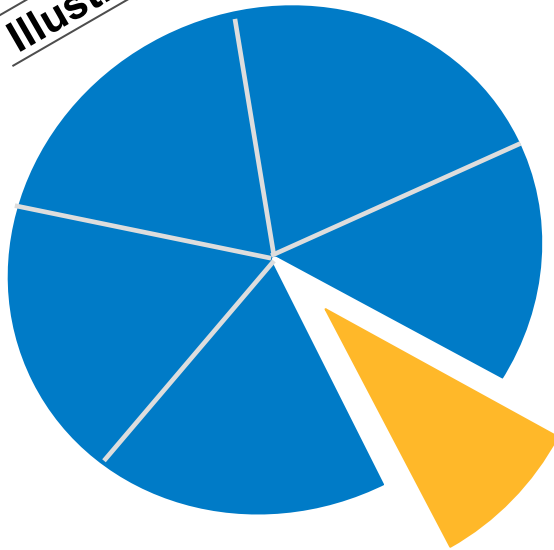
- 1 Consistency with the *Strategy – Investing for impact***
- 2 Greater alignment with country-level schedules, context, and priorities**
- 3 Focus on countries with the highest disease burden and lowest ability to pay, while keeping the portfolio global**
- 4 Simplicity for both implementers and the Global Fund**
- 5 Predictability of process and financing levels, consistent with global accords in Paris, Accra, and Busan**
- 6 Ability to elicit full expressions of demand and reward ambition**

# Key stages of the new funding model



# Stage 1: Bands of countries

*Illustrative*

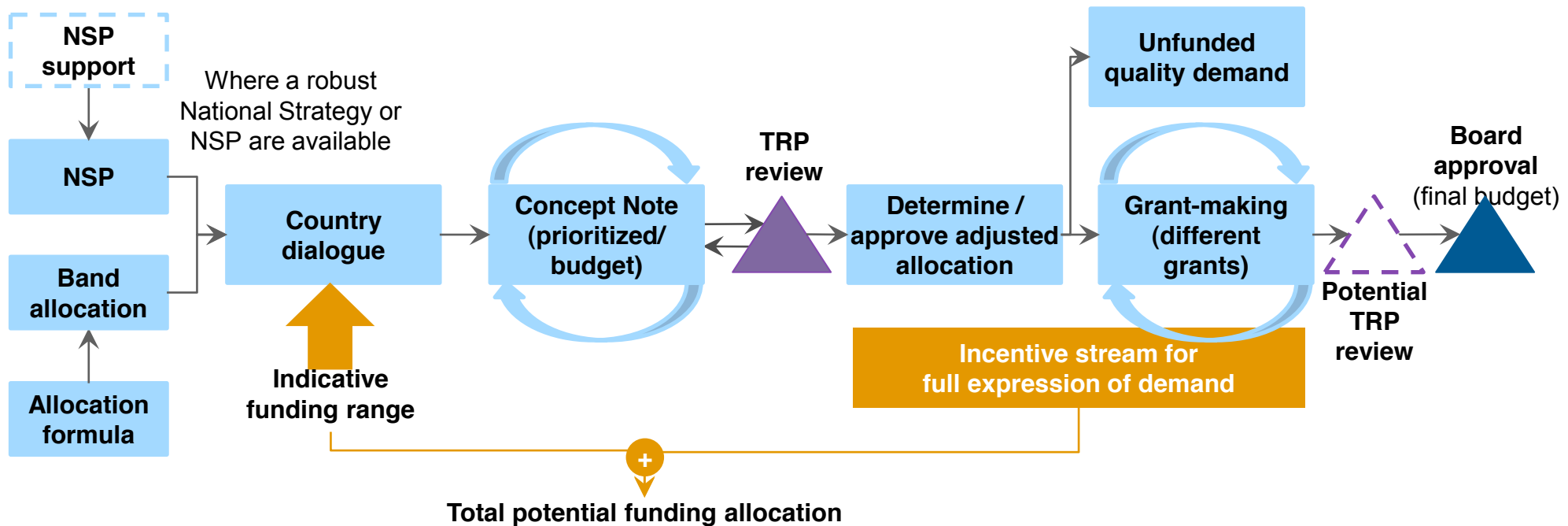


**Board approves the composition of Bands and allocation of money to them**

**Composition of and allocation to each Country Band to be determined**

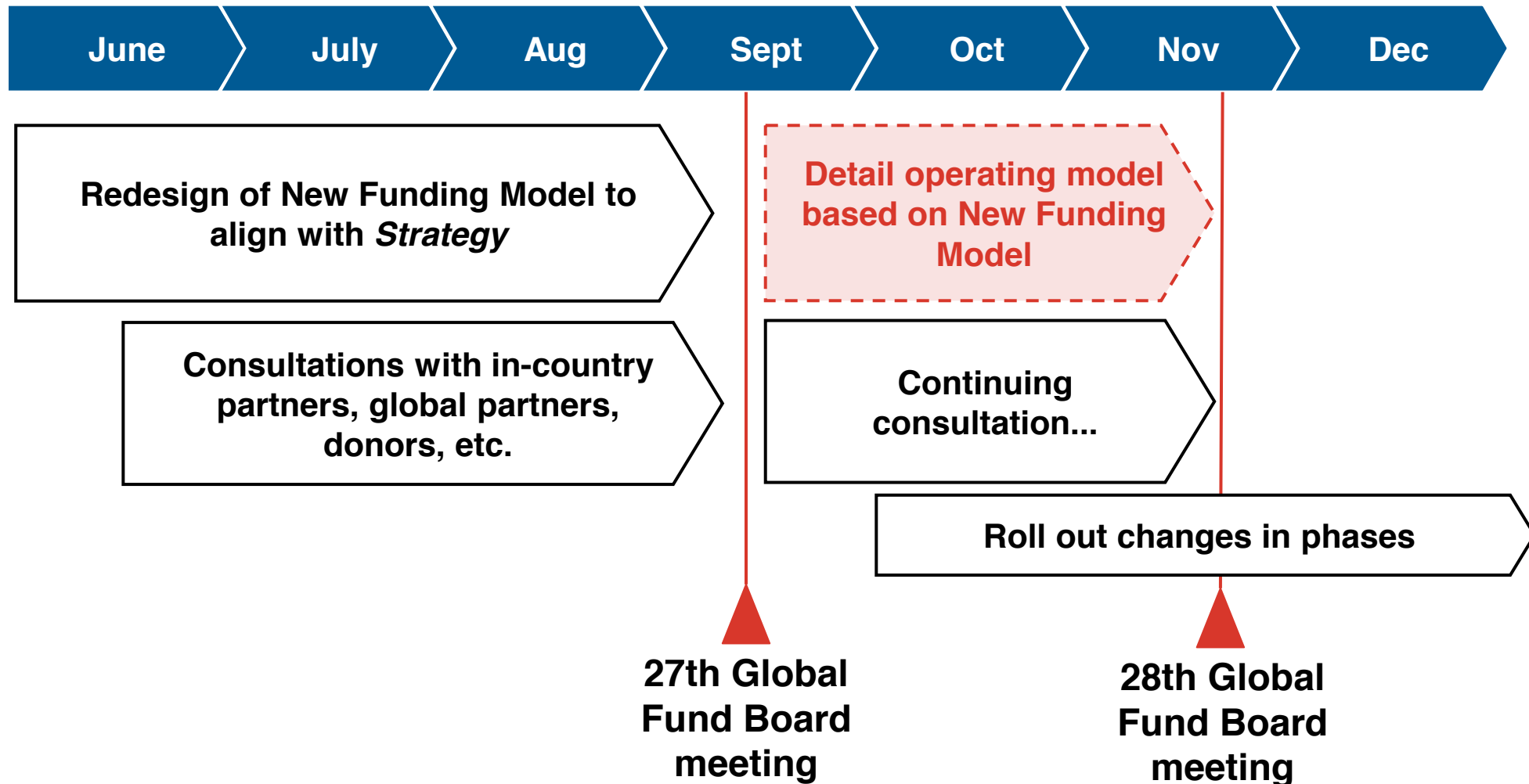
**Provision for special strategic investments (Amount capped at 10% of total available funds)**

# Stage 2 and 3: Key process elements



Note: NSP = National Strategic Plan

# Next phase builds on New Funding Model



# High-level questions for consultation

Bands of countries

## What criteria should be used to group countries into Bands?

- Quantitative criteria such as income (e.g. GNI per capita) and disease burden?
- Qualitative criteria such as Most-at-risk populations or small countries?
- A mix of the above?

Indicative funding range and incentive stream

## How broad or narrow should the indicative funding range be?

- How long should this funding range be valid?

## How do you see the rough split of resources within a Band between resource apportioned to a country vs to an incentive stream?

- Should this split be the same in all Bands?

## What factors should be considered in granting funding from the incentive stream?

Access to Funding

## Should a Concept Note be disease specific or cover all diseases and HSS/CSS?

## What is the best way for applicants to present their prioritized expression of full demand in the Concept Note?

## What should be the possible outcomes of the TRP review with respect to prioritization?

What other topics would you like to raise?