

Key steps of the GC7 Allocation Methodology



What are the technical parameters of the allocation formula?

A

Disease Burden

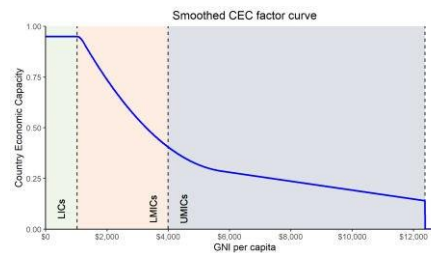
HIV	Number of people living with HIV
TB	[1*TB incidence] + [10*MDR-TB incidence]
Malaria	[1*number of malaria cases] + [1*number of malaria deaths] + [0.05*malaria incidence rate] + [0.05*malaria mortality rate]

Note: Malaria data from 2000-2004, all indicators normalized, cases and deaths adjusted for latest Population-at-Risk

B

Country Economic Capacity

- Based on GNI per capita
- Weighted according to a smooth curve, for which the value decreases as GNI per capita increases



X



C

Maximum and Minimum Shares

- Maximum: 10% funding of each disease component; 7.5% of all countries
- Minimum: USD 500,000 per component for eligible countries

D

External Financing

- Projections of other external financing – discounted by 50% to account for data quality
- Can influence component allocations by up to 25%

What is the Qualitative Adjustments (QA) approach?

Stage 1

Refining for epidemiological contexts

Stage 2

One comprehensive adjustment considering key epidemiological, programmatic and other relevant factors to account for effectiveness and need

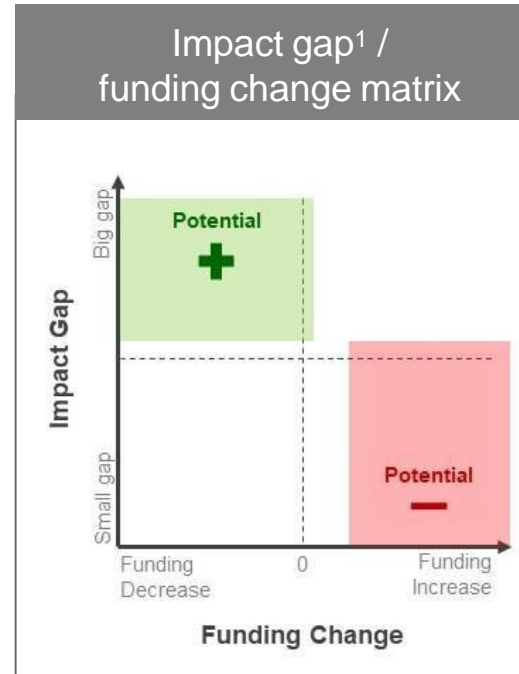
Adjustment of HIV allocations by accounting for the populations

Upward adjustment to account for key populations in <2% prevalence settings,

Funds taken from countries

prevalence*

**except those with increase in incidence rate, which are excluded from adjustment*



Key contextual factors

- Program performance
- Absorption
- Coverage gaps
- Cost of essential programming
- Economic capacity and other Sustainability, Transition and Co-Financing considerations
- Incidence and mortality trends
- RSSH
- Challenging Operating Environments

¹ Gap to achieving the impact targets set out by the global plans of technical partners in line with Sustainable Development Goal (SDG) 3.

Supportive Information

Applied through a transparent and accountable process:

- Strategy Committee (SC) approves QA factors and process.
- Secretariat applies the adjustments and reports all changes and rationale to the SC. Changes greater than \$5m and 15% are reported to the Board.