



Investing in our future

The Global Fund

To Fight AIDS, Tuberculosis and Malaria

Resource Forecast for 2006

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Resource Forecast 2006 - 'Old' Basis

	US\$ millions	2002	2003	2004	2005	2006
<u>Funding</u>						
Contributed		957	937	1'528	1'395	184
Pledged, not yet contributed					103	1'620
Total Contributions		957	937	1'528	1'498	1'804
Funds available from prior year			341	-20	198	106
Investment income		10	28	34	59	77
less: Operating expenses		-13	-33	-43	-62	-85
(A) Funding Available for Grants		954	1'274	1'498	1'693	1'902
<u>Grant Approvals</u>						
Phase 1						
Rounds 1 to 4		613	1'294	1'180	-30	-6
Round 5					720	63
Round 5 Appeals						
Phase 1		613	1'294	1'180	690	57
Phase 2 Renewals (and continuity of services)						
Maximum anticipated (85%)				120	897	1'907
Allowance for postponements to following year						-133
Provision for continuity of services						25
Phase 2				120	897	1'799
(B) Total Grant Approvals		613	1'294	1'300	1'587	1'856
(A-B) Carried over to following year		341	-20	198	106	
Excess of pledges over approvals						46

Appeals can
be approved

Before new
pledges

Resource Forecast – New Basis

“Board may approve proposals ... up to the uncommitted amount of assets that the Board determines will be available at the time of signing the related grant agreements ...”

Note: CFP defines ‘assets’ as cash and public demand promissory notes

The determination would be made when approving a new Round (e.g. November 2006)

Key elements of the determination:

1. Timing of the new grant signings
2. Contributions expected in advance of grant signing
3. Commitments for Phase 2 signings

Determination of Assets Available

Key elements of the determination:

1. Timing of the new grant signings
 - If approved in November, grant signing would extend into 2007 [3 scenarios modeled]
2. Contributions expected in advance of grant signing
 - Would take account of pledges for 2006 & 2007 expected to be contributed prior to grant signing, as known in Nov. [for now, 4 scenarios modeled]
3. Commitments for Phase 2 signings
 - Based on existing projections

Example – if \$2.1bn pledged for 2007



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Assumes pledges of \$2.1bn for 2007 and that all grants are signed within 9 months of approval

	USDm	Movements on Uncommitted Assets		
		2006 USDm	2007 USDm	Later USDm
Uncommitted Assets at start of period	1'219	1'219	391	4
<u>Pledges not contributed by end 2005:</u>				
Pledges for 2005	181	181	-	
Pledges for 2006	1'804	1'624	180	
Pledges for 2007	2'100	-	1'890	210
Operating expenses, less investment income	(10)	(8)	(2)	
Total pledges	4'075	1'797	2'068	210
<u>Uncommitted Assets available in period</u>	5'294	3'016	2'459	214
<u>Needs, before new rounds</u>				
Phase 2 signings - approved in 2005	589	589	-	
Phase 2 signings - approved in 2006 & 2007	3'194	1'274	1'890	30
Round 5 signings in 2005	762	762	-	
Total grant signing needs	4'545	2'625	1'890	30
Uncommitted assets available through period end	749	391	569	
<u>New Round</u> (if approved in November 2006)	565	-	565	
Uncommitted Assets, AFTER new rounds	184	391	4	184

Thirteenth Board Meeting
Geneva, 27-28 April 2006

Example – if \$1.8bn pledged for 2007



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Assumes pledges of \$1.8bn for 2007 and that all grants are signed within 6 months of approval

	USDm	Movements on Uncommitted Assets		
		2006 USDm	2007 USDm	Later USDm
Uncommitted Assets at start of period	1'219	1'219	391	94
<u>Pledges not contributed by end 2005:</u>				
Pledges for 2005	181	181	-	
Pledges for 2006	1'804	1'624	180	
Pledges for 2007	1'800	-	1'620	180
Operating expenses, less investment income	(10)	(8)	(2)	
Total pledges	3'775	1'797	1'798	180
<u>Uncommitted Assets available in period</u>	4'994	3'016	2'189	274
<u>Needs, before new rounds</u>				
Phase 2 signings - approved in 2005	589	589	-	
Phase 2 signings - approved in 2006 & 2007	3'194	1'274	1'890	30
Round 5 signings in 2005	762	762	-	
Total grant signing needs	4'545	2'625	1'890	30
Uncommitted assets available through period end	449	391	299	
<u>New Round</u> (if approved in November 2006)	205	-	205	
Uncommitted Assets, AFTER new rounds	244	391	94	244

Projection currently (in advance of November)

<u>Pledge scenarios:</u>	1	2	3	4
IF pledges for 2007 =	As currently confirmed for 2007	At same level as for 2006	At 2006 level plus \$0.2bn	At 2006 level plus \$0.3bn
	\$bn	\$bn	\$bn	\$bn
	1.4	1.8	2.0	2.1
Pledges for 2006	1.8	1.8	1.8	1.8
Total pledges 2006-2007	3.2	3.6	3.8	3.9
	↓	↓	↓	↓
<u>Amount available for Round 6 in 2006:</u>				
If assumed that 100% of grants are signed ..	\$m	\$m	\$m	\$m
(a) within 6 months following approval	0	205	245	260
(b) within 8 months following approval	0	300	400	440
(c) within 9 months following approval	0	300	475	565

Critical data for November

Magnitude of assets available will depend on:

- Amount of pledges confirmed for 2007
- When these pledges will be contributed (in cash or by promissory note)

as known at time of Board meeting to approve the Round (November)

Projection currently (in advance of November)

<u>Pledge scenarios:</u>	1	2	3	4
IF pledges for 2007 =	As currently confirmed for 2007	At same level as for 2006	At 2006 level plus \$0.2bn	At 2006 level plus \$0.3bn
	\$bn	\$bn	\$bn	\$bn
	1.4	1.8	2.0	2.1
Pledges for 2006	1.8	1.8	1.8	1.8
Total pledges 2006-2007	3.2	3.6	3.8	3.9
	↓	↓	↓	↓
<u>Amount available for Round 6 in 2006:</u>				
If assumed that 100% of grants are signed ..	\$m	\$m	\$m	\$m
(a) within 6 months following approval	0	205	245	260
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(c) within 9 months following approval	0	300	475	565

Approval of Funding for Recommended Round 5 Appeals

Background

- The Twelfth Board meeting decided the four proposals recommended by the Appeal Panel will be approved, “***as funds become available to cover all four proposals under the terms of the Comprehensive Funding Policy***”
- Sufficient funds are now available



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END

*Thirteenth Board Meeting
Geneva, 27-28 April 2006*

Approval of Funding for Recommended Round 5 Appeals

Decision Point

The Board approves for funding, in the amounts indicated, the following Round 5 proposals that were recommended by the Internal Appeal Panel in its Report to the Twelfth Board Meeting (GF/B12/8) and could not be approved for funding at the Twelfth Board meeting due to resource constraints:

- i. Equatorial Guinea (Malaria) -- US\$29,424,335**
- ii. Philippines (Tuberculosis)-- US\$12,906,111**
- iii. Sudan (HIV/AIDS)-- Euro 11,709,434**
- iv. Sudan (Tuberculosis) -- US\$6,830,013**

The Board's approval is made with the clear understanding the amount listed for each proposal is an upper ceiling rather than the final Phase 1 Grant amounts.