

## The Global Fund's Voluntary Replenishment round brings hope, but not plenty

As the Global Fund's outreach grows, so do its financial needs. With fall-out still being felt from the international financial crisis of 2008 there were worries that donations might dip. They didn't, but the situation remains tight

The Global Fund to Fight AIDS, Tuberculosis and Malaria is the main international financier of programmes to fight these diseases, with approved funding of US\$19.4 billion for more than 600 programmes in 145 countries. The latest appeal to donors raised US\$11.7 billion, the largest sum ever mobilised for global health. For the first time significant commitments have been made by African nations and private-sector partners. The result is a strong show of confidence in the Global Fund, particularly at a time of economic uncertainty, but the amount pledged still falls short of demand estimates.

Up to US\$8.8 billion of the US\$11.7 pledged will provide for the continuation of programmes already approved by the Global Fund's board for 2011–2013 and will support the expansion of health services in many countries. In addition, at least US\$2.9 billion will be available for new commitments in the next 3 years. This figure will increase when savings and efficiencies are achieved in the current portfolio.

As the global fight against AIDS, tuberculosis, and malaria improves, and grant implementers scale up successful programmes, the need for finances increases. In order to maintain the current rate of expansion, the Global Fund has outlined funding scenarios of between US\$13 billion and US\$20 billion needed for the coming 3 years. Given the Global Fund's large share of global financing for health, the success or failure to secure new funding for the coming 3 years will have a significant impact on the world's ability to achieve the health-related Millennium Development Goals (MDGs).

It is essential that implementing countries continue to submit high-quality and ambitious proposals to the Global Fund so that donors appreciate the sustained level of demand for resources as every possible effort is made to raise the additional resources that we expect countries to request in the years ahead.

New pledges are a 20% improvement over the US\$9.4 billion contributed by donors for 2007–2010. United Nations Secretary General Mr Ban Ki-moon, who chaired the meeting said, 'At a time when so many governments are tightening their belts at home, these commitments send a powerful message: It shows how seriously world leaders want to do the right thing beyond their borders, too. It shows they understand the

importance of health for all people.' The pledges came a week after the MDG summit in New York in which United Nations countries reaffirmed their commitment to ambitious targets to eradicate disease and poverty by 2015.

New donors came from Côte d'Ivoire, Nigeria, Namibia, and Tunisia. South Africa also made a financial pledge as part of an effort by implementing countries to show true expressions of global solidarity in the fight against global epidemics. Support from the African private sector came through a US\$3 million pledge by the 'Gift from Africa' campaign, a consortium of companies led by Access Bank of South Africa. The private sector in the developing world has started to mobilise, showing that corporate leaders recognise the important role they can play in fighting infectious disease.

The United States remains the largest donor to the Global Fund. The US pledge of US\$4 billion amounts to the largest increase by an individual donor country to the Global Fund for this period and is the first US multi-year pledge. France announced an increased contribution of US\$1.48 billion, marking a 20% increase. Japan announced a 30% increase in its donation of US\$800 million. Other significant donors include Australia, Canada, the European Commission, Finland,



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*TB patient in South Africa. South Africa made a donation to Global Fund replenishment and the private sector has begun to mobilise*

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

and Norway. Russia is now a net donor to the fund with a pledge of US\$60million.

The support base for the Global Fund has broadened. The first faith-based organisation to contribute to Global Fund replenishment, the United Methodist Church made a US\$28million pledge. Chevron Corporation announced that it will commit an additional US\$25million to The Global Fund, raising its 6-year investment in the organisation to US\$55million. This is now the largest contribution from a single corporation. The Bill and Melinda Gates Foundation made a US\$300million pledge, contributing 2.5% of total Global Fund financing. In addition to these firm pledges, projections of financing expected from countries yet to commit as well as innovative funding sources that were not in a position to provide firm pledges have been taken into account.

The G8 countries and the European Commission together account for three-quarters of the resources pledged in New York. By contrast, hopes for contributions from several emerging nations from the G20 group have not materialised and the Gulf States do not seem

ready to make commitments yet either.

The Global Fund constantly seeks to improve itself and is implementing 'An Agenda for a More Efficient and Effective Global Fund'. Progress has already been made in adapting and streamlining grant management processes including the rapid roll-out of the country team approach, which has already achieved faster grant signature and disbursement and the consolidation of a number of existing grants. Key advances in policy are being implemented, including the new grant architecture, national strategy applications, and the joint platform for health systems strengthening. In addition the Global Fund Secretariat is pursuing on-going work on how the Global Fund can further increase its impact on maternal and child health.

The Third Voluntary Replenishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria took place in New York from 4–5 October 2010. The meeting was chaired by the United Nations Secretary General Mr Ban Ki-moon. Mr Richard Manning served as Vice Chair. Fifty delegations participated in the meeting.



*The Third Voluntary Replenishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria. From left to right: Mr Richard Manning, Replenishment Vice-Chair; UN Secretary-General Ban Ki-moon; Prof. Kazatchkine, Global Fund Executive Director*