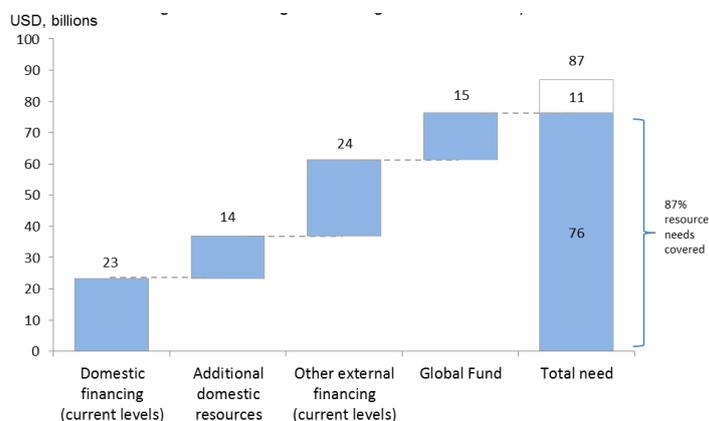


## Global Fund advocates assessment of the Global Fund's resource needs for 2014-2016: what will it take to defeat AIDS, TB and Malaria?

### Introduction

In preparation for the first meeting of the 4<sup>th</sup> Voluntary Replenishment 2014-2016 of the Global Fund to Fight AIDS, Tuberculosis and Malaria on April 9-10, 2013 in Brussels, civil society advocates have reviewed the Global Fund's *Needs Assessment* paper.

The *Needs Assessment* paper determines there is a total funding need of US \$87 billion for AIDS, TB and Malaria for 2014-2016 and proposes a Global Fund share of US \$15 billion. It describes current trends and scenarios that indicate that a successful Global Fund replenishment of US \$15 billion, together with other sources of anticipated funding, would meet 87% of the total resource need (US \$76 billion of the total US \$87 billion), leaving a US \$11 billion gap.



The *Needs Assessment* rightly describes that we are at a 'crossroads'—facing the choice between risking the gains made against the three diseases or accelerating progress to save millions more lives and billions of dollars of additional costs over the long-term. The paper asserts that by accelerating efforts with a successful Global Fund replenishment of US \$15 billion, even with a US \$11 billion gap, the world will be well positioned to push towards complete control of AIDS, TB and Malaria.

### Reaching the tipping point

The new Global Fund replenishment period (2014-2016) not only offers a historic opportunity to set the trajectory to defeat AIDS, TB and Malaria in the next decade, it is also one of the last opportunities to scale up resources to achieve the Millennium Development Goals on AIDS, TB and Malaria.

By taking advantage of scientific advances, lessons learnt from the past and current investments of the Global Fund and investing strategically, a concerted global effort to boost funding would deliver a decisive step towards ending the burden of AIDS, TB and Malaria. Global Fund advocates strongly believe that the 2013 replenishment and subsequent resource mobilization efforts should be driven by an ambitious commitment to seize the current momentum to halt disease progression and mortality, end new transmission, and get to a 'tipping point' in the fight against these three diseases. The promise of ending AIDS, TB and Malaria related deaths and avoiding new infections requires sufficient funding, more effective targeting of prevention, diagnosis and treatment interventions alongside health systems strengthening and increased sustainable domestic resource mobilization.

**Global Fund advocates support the request of US \$15 billion from the international donor community as being a critical investment and the absolute *minimum* that donors must deliver. We also call for additional resource mobilization efforts to close the remaining gap of US \$11 billion.**

## **Why a US \$15 billion target is a minimum**

While Global Fund advocates fully support the US \$15 billion funding request for the Global Fund, there are a number of assumptions and caveats included in the methodology of assessing this need that reveal why this target should be considered an absolute minimum, including:

- Reaching the tipping point requires additional investments in the short-term that will deliver gains in the longer term through, for example, savings incurred from avoiding future treatment costs. Inadequate investments mean that we risk not reaching the critical level of resources needed to dramatically bring down the level of new infections and deaths—allowing the intensifying spread of deadly and drug-resistant strains of MDR-TB, for example. Therefore, in addition to supporting the Global Fund replenishment, implementing and donor countries must continue to search for ways to close the projected remaining funding gap of US \$11 billion, while also ensuring that domestic funding and non-Global Fund external financing levels are sufficient.
- Even if necessary scale-up were possible with 87% of the total funding need, the US \$87 billion figure is premised on a highly 'aggressive' growth path for domestic funding (growing from current levels of US \$23 billion to US\$ 37 billion), as well as maintenance of other levels of external financing at US \$24 billion.
- While advocates support expanded domestic investment, the assumed level of domestic funding described in the *Needs Assessment* paper is extremely ambitious and suggests that domestic funding will outpace recent trends for investment as well as projected growth in general government expenditure. Overall financial resources per capita for health at the country level are a function of a country's GDP per capita, so predicting total health expenditures to grow alongside or slightly faster than GDP is more realistic and closer to the "low" rather than the "medium" scenario for domestic funding described in the *Needs Assessment* paper. Advocates strongly support the call on implementing countries to increase domestic investments for health and increased total health expenditure per capita, and to develop more effective and accountable expenditure tracking systems. But projected shifts in domestic expenditure for health by poor countries should be grounded in reasonable assumptions.
- Additionally, the assumptions in the *Needs Assessment* that increased funding from other funding streams for synergistic efforts in broader development areas (in the case of HIV), and the level of non-Global Fund funding for AIDS, TB and Malaria will continue at US \$24 billion over the 3 year period is very optimistic, considering the fact that some donors are freezing or even cutting their development aid budgets.
- Finally, the methodology assumes that efficiencies and drastically decreased treatment costs will cover the full additional costs associated with country implementation of the new WHO treatment guidelines for HIV as well as enable the scale up of new diagnostic and treatment tools for tuberculosis. This is most likely too optimistic—along with the assumption of a 65% reduction in treatment costs.

We therefore call on donors to ensure at least a level of investment of US \$15 billion for the fall 2013 replenishment pledging meeting and ask them to commit to a subsequent collective resource mobilization effort during the replenishment period to provide additional support, including from new donors and innovative financing mechanisms, to the Global Fund and via other funding streams, to address the remaining funding gap so that we can fully realize the opportunity we have to defeat these diseases.

Global Fund Advocates Network  
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