





GLOBAL FUND ADVOCATES NETWORK

STATEMENT ON THE GLOBAL FUND 7th REPLENISHMENT INVESTMENT CASE

We warmly welcome the Investment Case for the Seventh Replenishment, and the spotlight it brings to the impact of the work of the Global Fund. After two years of COVID-19, and significant setbacks in the fight against each of the three diseases, it calls for a significant increase in investment, with a minimum ask of USD 18 billion to fight AIDS, TB and Malaria.

The Investment Case projects that against 2020 figures, by 2026, the Global Fund could achieve significant and important gains including:

- Reducing new infections by 68% in HIV, 27% in TB, and 66% in malaria;
- Reduce deaths from malaria by 62%, and deaths from TB and HIV 59%;
- Reduce HIV incidence among adolescent girls and young women in most affected countries by 72%;
- Eliminate malaria from an additional 6 countries; and
- Increase TB treatment coverage from 57% to 83%.

These are important gains that we must invest in making.

We note the strong affirmation of the critical role of communities and civil society within the partnership and collaborations that are needed to get back on track to end the three diseases as epidemics. Aligned with the Global Fund's new strategy, key populations and vulnerable groups, young people, and women and girls, are a central focus, as is the reduction of inequalities in health services.

However, the Investment Case makes plain that the investment needed to end AIDS, TB and malaria by 2030 has grown sharply since the Sixth Replenishment.

While we note the willingness of the Global Fund to rise to the occasion, we do not see this ask of a minimum of USD 18 billion as matching the urgency and pace that is needed.

The 2019 Investment Case estimated that USD 101 billion would be needed in countries where the Global Fund invests to fight the three diseases over the 2021-2023 period. In 2022, after two years of a COVID world, the Global Fund estimates that the need in Global Fund eligible countries – based on the technical partners' latest estimates – has grown to USD 130 billion for the period 2024-2026. That 29% growth is the basis for a minimum 29% increase in the ask of



the Global Fund, from USD 14 billion in 2019 to USD 18 billion in 2022. If successful, the Investment Case indicates that the increase in resources allocated to the Fund would be twice as large as the growth between the Fifth and Sixth Replenishments, and represent a leap in magnitude unseen since 2007.

We cannot avoid the fact that USD 18 billion will not be enough to meet our 2030 targets.

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The USD 18 billion ask is suited to fight yesterday's battles. It is USD 4 billion more than what was pledged in 2019 and would allow the Global Fund to increase its impact but it falls short of what is needed. Short of making up for the lost ground over the past two years, and short of meeting emerging threats head on.

There is much cause for concern beyond COVID-19 or other new pandemic threats: a newly identified HIV strain, the leap to 4 million missing TB cases over the past two years, and the long-feared emergence of Artemisinin Resistance in Africa, to name a few.

 Once again, the Global Fund projects and assumes a gap in investment that continues to be unfilled and continues to grow. While it is important to be clear that we do not suggest that the gap in funding is solely the Global Fund's responsibility to fill, their projections indicate an overall financial need in Global Fund eligible countries of USD 130.2 billion for 2024-2026. Yet, once again, it assumes that more than a fifth of this need will be left unfilled.

Who will we not be able to reach because of this gap - who "lives" in this gap in funding to end the 3 pandemics? Who will be left behind if we do not invest what is needed?

A lower figure might increase the odds that the replenishment is "successful", but it bakes in an irresponsible gap and makes achieving the 2030 goals, that have been endorsed repeatedly by governments, unlikely.

We welcome the more realistic domestic resource mobilization assumptions presented in this Investment Case. It projects an annual increase in domestic resources made available in the fight against the three diseases of 9% over the 2024-2026 period, as opposed to the overly optimistic and unreached 14% annually that was projected for the 2021-2023 period in the last Investment Case. In addition, a breakdown by region is provided rather than simply a global number.

Although a breakdown per country would further help monitoring efforts by civil society, the progress is important and noted. The breakdown does reveal some of the weaknesses of the projections. A whole quarter of all projected domestic resources



for the three diseases are expected to come from TB spending in Southeast Asia, where more optimistic assumptions underlie the projection.

Once again, the regional and global projections obscure the country-by-country level situation which could have a significant impact on the Global Fund's investments being able to catalyze other investments in many countries.

We welcome the emphasis on the continued dual-use of Global Fund investments supporting both the fight against the three diseases and strengthening health systems to make them better able to detect and cope with emerging pathogens.

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We worry however of an overemphasis on formal health systems; though language on community-led and people-centered approaches and services are elaborated on in the Investment Case, they are dwarfed by a focus on laboratories and staff of formal health facilities and not reflected in the USD 18 billion target.

Further efforts need to be expended to clarify how community-led services, best able to leave no one behind, are integrated in countries' pandemic preparedness plans and how the Global Fund will invest in community system strengthening to achieve its new strategy.

GFAN Calls on all donors to close the resource gap and support the Global Fund with at least USD 24 billion to fight the three diseases¹ for the Seventh Replenishment, USD 6 billion above the minimum funding need expressed in the Investment Case.

¹ Figure from the <u>GFAN Civil Society Ask</u>, out of a total ask of USD 28.5 billion that includes USD 4.5 for community-led responses to current and future pandemics.