

# Resource Needs 2009-2010

## The need for additional financial resources

Since its creation in 2002 The Global Fund to Fight AIDS, Tuberculosis and Malaria has seen a steady increase in the demand for its resources. The first seven funding rounds granted financial resources to partner organizations in 140 countries providing life-saving services for millions of people. At the same time the resources were used to build capacity, train health workers and improve management systems. This scaled up capacity has led to an unprecedented increase in high-quality proposals submitted to the Global Fund through Round 8 in 2008 and an anticipated high level of demand expressed through Round 9 in 2009. The new level of demand is extremely encouraging as the achievement of internationally agreed goals such as Universal Access to prevention, care and treatment and the MDGs will only be possible through a significant scale-up in program implementation. Unfortunately this increase in the demand for resources coincided with the global economic and financial crisis affecting resource mobilization efforts with both the public and the private sector. **Therefore the global Fund is facing a shortfall of resources amounting to a gap of US\$ 170 million to fully finance Round 8 and an anticipated gap of US\$ 2.5 to 3.0 billion to fully finance new proposals under Round 9 and maintain ongoing programs in 2010.**

## Funding Gap Round 8

In November 2008, the Board approved an upper ceiling total for Round 8 of US\$ 2.75 billion for the first two years of funding of new programs (Phase One). This is 2.5 times more than the largest previous round. As a funder of life saving interventions that must be sustained over time, the Global Fund operates under a stringent funding policy requiring sufficient resources to be on hand before approving multi-year programs. Since the available resources could not fully meet these requirements, the Global Fund's Board approved a number of efficiency measures at their meeting in November 2008 and prioritized the programs according to disease burden and income level of the implementing country. Programs with high priority were approved immediately while other proposals could only be approved once additional donor commitments had been confirmed. With new pledges available the board of the Global Fund was able to approve additional programs in March and April of 2009 respectively. **The still existing funding gap of US\$ 270 million in early June 2009 has now been further reduced to US\$ 170** as result of a supplemental bill passed in U.S. Congress to contribute further US\$ 100 million for 2009. The US\$ 100 million mentioned above will allow the GF board to approve six additional grants in early July. There are still 15 high quality proposals recommended for funding by the independent Technical Review Panel (TRP) that could be immediately approved if an additional US\$ 170 million were pledged by donors.

### Final batch of country proposals awaiting funding approval

AFGHANISTAN Malaria/Health System Strengthening, Democratic People's Republic of KOREA Tuberculosis, HAITI Malaria, MADAGASCAR Tuberculosis, SOLOMON ISLANDS Tuberculosis, SOLOMON ISLANDS HIV/Health System Strengthening, UZBEKISTAN Malaria, UZBEKISTAN Tuberculosis, BULGARIA Tuberculosis, BOLIVIA Malaria, FIJI Tuberculosis/Health System Strengthening, GUYANA Tuberculosis, KAZAKHSTAN Tuberculosis, SRI LANKA Malaria, TUNISIA Tuberculosis.

## Resource Needs in 2010

In 2010 the Global Fund will have to finance the renewal of existing grants subject to good performance (US\$ 2.0 billion) and new programs proposed under Round 9. Funding recommendations under Round 9 will be considered by the Global Fund Board in November 2009. Early indications suggest that Round 9, taken together with funding for a pilot program supporting more comprehensive National Strategy Applications (NSAs), will likely result in a resource need of US\$ 3.0 to US\$ 3.5 billion. As the earliest approval for R10 will be November 2010 the signing of those grants would fall into 2011 not affecting resource needs in 2010. Programs that will reach maximum duration of funding before 2011 without the opportunity to receive new funding might require resources of up to 0.5 billion under the continuity of services policy to avoid the interruption of life-saving treatments.

Altogether resource needs in 2010 are thus estimated to be between US\$ 5.5 and US\$ 6.0 billion. **Currently the Global Fund has firm pledges of about US\$ 3 billion for 2010 leaving a gap of US\$ 2.5 to 3.0 billion.** Further pledges will therefore be necessary to continue the scaling up of life-saving health services.

### General Information

The Global Fund to Fight AIDS, Tuberculosis and Malaria was created to dramatically increase resources to fight three of the world's most devastating diseases, and to direct those resources to areas of greatest need. The level of investment that is needed is determined by the quantity and the quality of proposals that the Global Fund receives from implementing countries. In seven funding rounds the Global Fund has so far approved more than 500 grants in 140 countries with a value of US\$15.9 billion. The Global Fund carefully monitors achievements against agreed targets and funding is contingent upon satisfactory performance.

By December 2009, 3.5 million people whose lives were under threat from AIDS, tuberculosis and malaria had been given access to life saving treatment programs supported by the Global Fund. Global Fund investments in health are conservatively deemed to be saving 3,000 lives a day, making a significant contribution to the achievement of Millennium Development Goals 4, 5 and 6. For example, in Malawi, scaling up HIV treatment has led to reductions in mortality by up to 40 percent in some areas. In Rwanda, Zanzibar, Eritrea among others, malaria cases and deaths have declined by 50 percent or more due to effective prevention and treatment coverage.

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