



Independent observer
of the Global Fund

EC'S PLEDGE OF € 470 MILLION REPRESENTS A STRONG START TO THE GLOBAL FUND'S REPLENISHMENT CAMPAIGN

The European Commission is pledging € 470 million to The Global Fund for 2017-2019, an increase of € 100 million, or 27%, over the EC's pledge for 2014-2016.

The pledge, [announced](#) on 3 March, is the first official pledge to the Fund's fifth replenishment campaign. It sends a strong signal to other donors, challenging them to increase their own contributions.

"The EC's contribution ... will contribute to achieve our shared ambition to save eight million more lives and avert up to 300 million infections," said Nevin Mimica, the European Union's Commissioner for International Cooperation and Development. "I call on others to raise their contributions so that more resilient systems can be built, and the special needs of women and girls and those of key affected populations be better served."

Commissioner Mimica added that "one of the lessons of the Ebola outbreak in West Africa is the clear need to strengthen health systems in developing countries."

The Global Fund's Executive Director, Mark Dybul, commended the EC's strong leadership in global health. "At a time when Europe faces global challenges like the migrant crisis and climate change, ending epidemics is a top priority that is inter-connected with social stability, education, and expanding opportunity," he said. Forty-eight percent of The Global Fund's contributions come from Europe.

At the World Economic Forum in Davos, Switzerland in January, Salesforce, the world's leading customer relationship management system company, [announced](#) a \$5 million pledge to The Global Fund. This was in addition to a \$1 million pledge made in 2015. Salesforce has confirmed its continued partnership with [\(RED\)](#),

the organisation founded by Bono and Bobby Shriver to make it easier for businesses and people to contribute to the fight against HIV, and work towards an AIDS-free generation. RED has contributed more than \$350 million to The Global Fund.

On the advocacy front, participants of the G7 Civil Society Taskforce – which brings together policy specialists, campaigners, and advocates from all G7 countries – sent an [open letter](#) signed by 176 organizations to the G7 Health Experts Working Group, calling for a “truly transformative agenda for health and sustainable development.” The taskforce urged the G7 to “lead the process of the fifth replenishment of The Global Fund to ensure it is fully funded” and highlighted that an investment in the Fund and its new Strategy (2017-2022) will support resilient health systems, which contributes to achieving universal health coverage, a key Sustainable Development Goal (SDG).

The Spanish foundation, [Salud por Derecho](#), (Right to Health) published a provocative [article](#) in El Pais, a national newspaper, pointing out that in the last four years, Spain has not made any donation to The Global Fund, despite having given € 650 million in the last decade, and despite having previously been the fifth largest donor to The Global Fund.

GFAN meeting

The [Global Fund Advocates Network](#) held its annual strategy meeting in Amsterdam on 26-28 January. This key meeting brought together representatives from more than 60 advocacy and other organizations, such as Results UK, Results US, Africa Japan Forum, Malaria No More UK, and the Stop AIDS Alliance.

Also attending the meeting were grantees from the [New Venture Fund for Global Fund Advocacy](#), A U.S. public charity that provides grants to domestic and international projects that are focused on global health and development issues; the civil society delegations of The Global Fund Board; Global Fund Secretariat staff; and technical partners.

Christoph Benn, the External Relations Director at The Global Fund, mentioned the impact that foreign exchange (FOREX) will have upon the replenishment efforts, given that many country’s currencies having decreased significantly against the US dollar. The countries affected will need to increase their pledges (in their own currencies) by 20% just to maintain their 2014-2016 commitments in US dollars. They will have to increase their pledges by more than 20% to generate additional funding for the replenishment.

Compounding the problem of FOREX is the complex global health environment at the moment, where, in many countries, the three diseases may not be high on the political agenda due to the current refugee crisis. Global Fund Executive Director Mark Dybul warned attendees about making “ending the epidemics” the only message. He suggested that more persuasive arguments need to be packaged around themes such as human rights – gender and LGBTI – and health systems. Dr Dybul also highlighted that increasing mobilisation of domestic resources was an important agenda, particularly for transitioning countries.

Other developments

Dr Dybul was recently in Australia to drum up support for the replenishment. As part of his visit, Dybul delivered the 2016 Harold Mitchell Development Policy Lecture at the Australian National University. (The lecture can be viewed [here](#).) Australia is the [10th largest donor](#) to The Global Fund (based on funds committed for the 2014-2016 period), but the Executive Director’s visit comes at a time when Australia’s overseas aid budget continues to decline. The country’s aid budget for the 2015-2016 financial year was reduced by 20%, bringing total aid cuts since 2013 to AU\$ 11.3 billion. Australia is the major bilateral donor in the Indo-Pacific Region.

The Obama Administration in the United States has [presented a 2017 fiscal year budget](#) which sees

funding the Global Fund maintained at the same level as the 2016 budget: \$1.35 billion. If Congress goes along, this suggests that the U.S. is on track to contribute at least \$4 billion for 2017-2019, matching its 2014-2016 contribution.

Further north in Canada, Philanthropist Melinda Gates [has urged](#) Canada's Prime Minister Justin Trudeau to come up with a plan for Canada to reach the international development target of 0.7 % of gross national income. Canada's ODA budget has been declining over the last decade, falling to about 0.24%. In calling on Canada to boost foreign aid, Ms. Gates specifically mentioned that Canada should make a significant financial contribution to The Global Fund.

In the Nordic countries, Sweden has reduced its 2016 contribution to The Global Fund by 35% as part of overall reductions to its ODA budget. The refugee crisis was cited as the rationale for the cuts. A more detailed report on the Swedish ODA cuts and the reactions by Global Fund advocates can be found [here](#).

It is expected that advocacy efforts will intensify over the coming months in the lead-up to the fifth replenishment conference, which is expected to take place in Quarter 3 of 2016; the location has not yet been announced.

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