Aidspan

Independent observer of the Global Fund

DOING MORE WITH LESS: WHAT ARE THE IMPLICATIONS FOR MEETING GLOBAL DISEASE TARGETS?

The Global Fund's Seventh Replenishment Conference held in September aimed to raise at least $18 billion dollars for the next three-year period to fund its essential programs on HIV, TB, malaria and health system strengthening. Unfortunately, it was unable to do so, raising only $14.25 billion. Although this amount is to be applauded, being the biggest raised to date for a replenishment, it is still insufficient to meet the aims of the Investment Case. At the time of writing, the Fund's third biggest donor the UK, and Italy, were still to commit. This article looks at what the failure to meet the goals of the Replenishment means for the future of Global Fund programs.

Introduction

Global Fund investments are based on the priorities of the Global Fund Strategy, which itself is guided by normative global guidance on HIV, TB, malaria, and strengthening systems for health. The performance of the Fund's portfolio is due to the collaborative efforts of a wide range of stakeholders, including governments, donors, civil society organizations, and affected populations. The Global Fund has invested more than $55 billion in developing countries over the past 20 years and saved more than 44 million lives.

However, while gains have been made, gaps persist.

In its 2022 report, the Fund awarded more than $4.4 billion to countries to mitigate its impact on HIV, TB, and malaria. Interventions made possible through its funding had saved 50 million lives by the end of 2021. However, while the Fund reported general success in improving access to antiretroviral therapy (ART), TB treatment, and the distribution of mosquito nets, there was no doubt that the COVID-19 pandemic had reversed previous successes in the three diseases, as well as negatively impacting related

programs such as maternal health.

Status of HIV, TB and malaria

Prior to COVID-19, the world was already off track to meet HIV, TB, and malaria targets. In 2020, for the first time in a decade, progress in all three diseases declined, with targets missed to keep the world on course to reach the 2030 Global Goals.

According to the Joint United Programme on HIV/AIDS (UNAIDS), there was a 32% decline in HIV incidence from 2010 to 2021. However, globally, 15% (about 5.9 million people) lacked access to HIV testing services and 25% (9.7 million people) could not access ART. Most of those living with HIV were in developing countries (20.6 million), and 53% of these were in eastern and southern Africa.

TB is both preventable and curable but continues to have a global impact. The World Health Organization (WHO) reported that TB killed 1.5 million people in 2020, and was the second leading infectious disease after COVID-19. Low- and middle-income countries (LMICs) account for 98% of the reported TB cases. In contrast, 86% of new TB infections were reported in high TB-burden countries, especially in Bangladesh, China, India, Indonesia, Nigeria, Pakistan, the Philippines and South Africa. Additionally, only about a third of those with multidrug-resistant TB (MDR-TB) accessed treatment in 2020.

Malaria is also preventable and curable. It is endemic in Africa, and according to WHO, in 2020, the region reported 95% of global malaria cases and 96% of worldwide malaria deaths. Children under five accounted for approximately 80% of malaria deaths. Four African countries account for over half of global Malaria deaths: Nigeria (31.9%), the Democratic Republic of the Congo (13.2%), Tanzania (4.1%) and Mozambique (3.8%).

COVID-19 has exacerbated the severity of the situation. The pandemic and related economic and social difficulties have aggravated pre-existing issues for the three diseases, according to a new assessment by Médecins Sans Frontières in 2022.

The progress made in past years has been reversed. Those with TB were especially affected with increased morbidity and mortality and a clear decline in earlier improvement rates. TB deaths increased from 1.2 million in 2019 to 1.3 million in 2020; back to 2017 levels. An estimated 10 million people contract the illness annually but the overall number of people treated for TB fell by over a million. MDR-TB continues to be a public health crisis. Only one in three people with drug-resistant TB accessed treatment in 2020. In countries covered by the Global Fund the number of people treated for MDR-TB decreased by 19% while treatment for those with extensively drug-resistant TB fell by 37% and for HIV-positive people on both ART and TB treatment the decrease was 16%. Fewer persons with drug-resistant forms of the illness are receiving treatment now than they were in 2019–2020.

Similar trends have been observed in HIV testing, which has decreased by 22%, while preventative services reduced by 11% between 2019 and 2020. Of approximately 9.7 million people living with HIV (PLHIV) who are still not receiving treatment, nearly a third of those who wish to begin treatment already exhibit advanced HIV disease, placing them at significant risk of impending death. Many PLHIV stopped taking their medication during the COVID-19 pandemic which has contributed to this rising figure.

Moreover, the number of people dying from malaria is up 12% from 2019, with 627,000 deaths.

These depressing facts made it even more important that the Global Fund would achieve a successful Replenishment to be able to put the minimum resources in place to support national responses to the three diseases.

Inadequate funding for HIV, TB and malaria

The Global Fund's Seventh Replenishment campaign highlighted the need to enhance health equity by building resilient and sustainable systems for health and strengthening pandemic preparedness. An integrated approach was identified as critical to ending the three diseases as epidemics by 2030 as per global targets and build capacities for the prevention of and preparation for future pandemics.

At the Seventh Replenishment Conference, the Global Fund called for countries and donors to pledge at least $18 billion as an absolute minimum to "save 20 million lives, cut the death rate from HIV, TB and malaria by 64% and build a healthier, more equitable world".

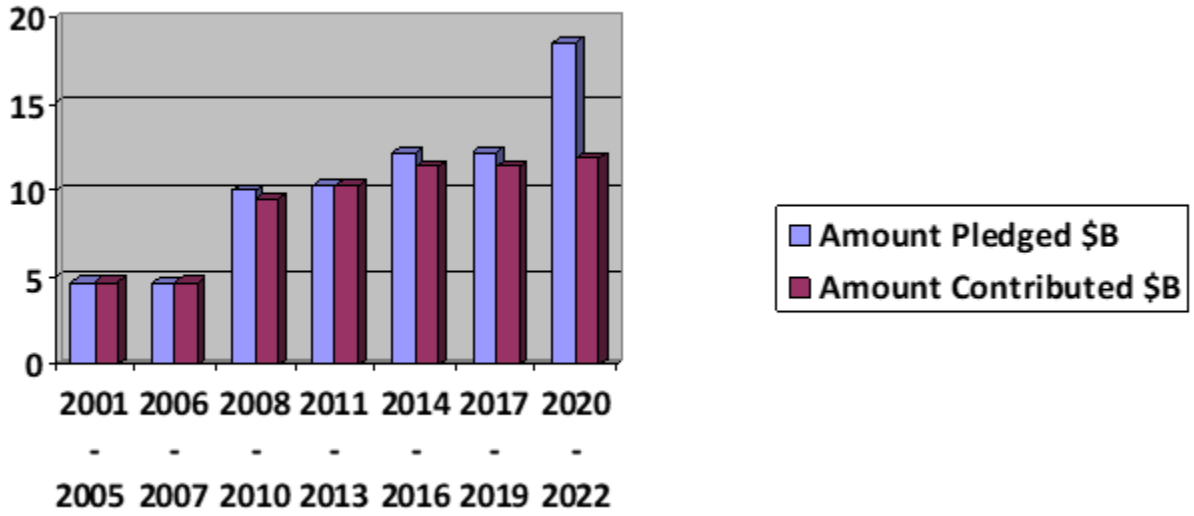
However, as the Investment Case showed, while this amount would help to get the fight back on track, there would still be a more significant, unfunded financial gap than before. The Conference managed to secure pledges worth $14.25 billion, a record in itself, but although additional pledges are expected from those who did not pledge, such as the UK or Italy, this is by no means certain given the worsening global economic climate.

There are real concerns that the shortfall might not be met.

Problems in converting pledges into actual funds

A follow-up on the Global Fund's resource mobilization trends shows that in the past meeting the Fund's replenishment targets has been challenging. The figure below shows discrepancies between the amounts pledged and contributions actually received. Despite the increase in pledges since 2001, there has been a general continuous decrease in corresponding contributions. The highest disparity experienced was in 2020-2022 at almost 40%, probably due to COVID-19 ramifications.

Figure 1: Trends in Global Fund pledges vs. contributions: 2001 – 2022



Source: Adapted from Global Fund Pledges and Contributions Report

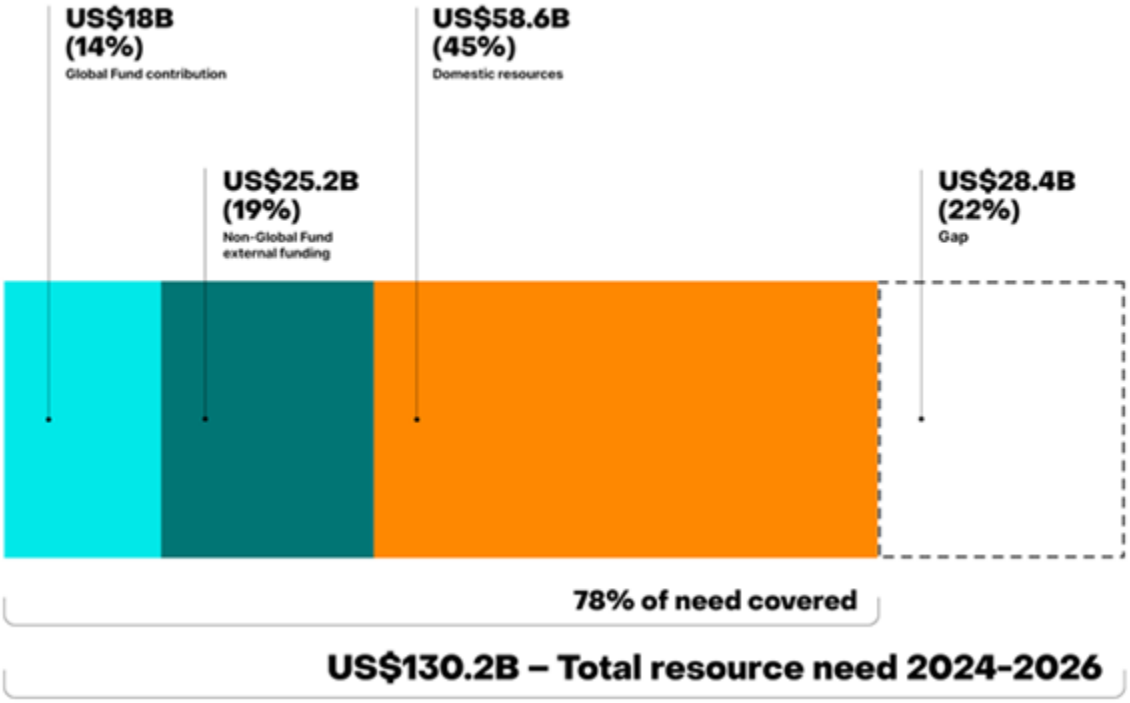
Even though there has been an increase in pledges over time, donors have not always honored their commitments. There are questions about whether the Seventh Replenishment will reach its pledging target despite hopes that new pledges will be received before the year ends. Even if it does so, there is no guarantee that the pledges will be converted to funds received, especially as no one knows how the global

economic recession will continue to unfold. The greater its impact, the less likely countries will be to convert promises to concrete contributions.

Sufficient future funding looks uncertain

There are indications that the funding is insufficient and might never be sufficient. As shown in the diagram below, the Global Fund projects a bleak funding future for the three diseases. Projections suggest that there will be a 22% gap between 2024 and 2026 in the anticipated resources needed for HIV, TB, and malaria responses in countries where Global Fund invests.

Figure 2: Resource needs vs. available resources for HIV, TB, and malaria in Global Fund-supported countries



Source: Global Fund Investment Case

The global struggle to meet adequate financial targets to address the three diseases has also been reported by WHO for TB and the Kaiser Family Foundation for HIV. WHO reported that TB diagnosis and treatment between 2000 and 2020 saved the lives of approximately 66 million people. However, in 2020 WHO reported that less than half of the global TB funding target was available for LMICs to achieve global targets. A report by the Kaiser Family Foundation indicated a $200 million decrease in donor funding for HIV between 2018 and 2019.

What next for diminishing donor funds amidst an apparent upsurge of HIV, TB, and malaria?

Amidst dwindling funding, the impact of COVID-19 on health resources and its adverse effects on the world economy has been worsened by the current overlap and intersection of crises, including the war in Ukraine. Other concerns include skyrocketing food and energy costs worldwide and the existential threat posed by climate change, as evidenced by the twin disasters of drought and famine in Africa and record floods in Pakistan.

There is competition for donor funds across programs, such as the Global Fund versus the World Bank's Financial Intermediary Fund (FIF) for pandemic prevention preparedness and response (PPR). More than two years ago the Global Fund established its COVID-19 Response Mechanism (C19RM) fund to mitigate the pandemic's effects and support systems for countries responding to the pandemic. In contrast, in 2022

the World Bank's FIF PPR was set up to strengthen the response to COVID-19 along the same lines but through a list of pre-approved international non-government and UN agencies. Most Global Fund donors such as the United States also provide financial support to other agencies. Competition for increasingly scarce resources is growing.

Too much emphasis on external funding

There is usually over-reliance on external donor support for health systems in developing countries, but this is unsustainable with the ever-changing landscape of donor financing. For sustainability purposes, domestic funds should be the principal financing mechanism for health. However, the reality is that national governments in developing countries face severe limitations with competing priorities and very limited resources. We only have to look at data on domestic financing for health to see that most African countries are far from meeting health financing targets.

And, as we should remember, the Global Fund is not the only provider of investments in national HIV, TB and malaria responses. The Investment Case is heavily reliant on the bulk of the financial gap, more than $56 billion, being provided by developing countries themselves. This is even less likely to happen for the reasons discussed above.

How much longer can the global south continue to rely on external support to bolster national health systems? Countries will certainly have to do more with less. But it remains imperative for countries to explore innovative ways of funding for health systems such as private sector investment in primary health care. The Global Fund and others have long been providing national governments with guidance on funding health systems. While there is a need to advocate for reforms to make national leaders more accountable for financing their own health systems, successful implementation of the reforms will require clarity of funding transition criteria, coordination between donors and national governments, and above all, political commitment and country ownership.

Disease respects no borders

The COVID-19 pandemic showed us that disease can affect both south and north, but that the inequalities in national health systems become even more apparent when dealing with a swiftly moving pandemic of this kind.

An increasingly interconnected world compounds the possibility of infections spreading rapidly. There is a need for international collaboration to create early illness outbreak warning systems, carry out research on disease prevention and management, and guarantee fair access to healthcare resources globally. Additionally, coordination is needed to complement efforts to address the effects of HIV, TB, and malaria to avoid silo disease-specific health responses at the country level. None of this is news. But these are important considerations when reflecting on how to maximize scarce donor funding.

We recognize the importance of domestic funding for HIV, TB, and malaria for national sustainability, accountability, and ownership of responses. However, donor funding for developing countries is more likely to ensure global coordination and responses towards the three diseases and equitable provision of health services to vulnerable and key populations whose access to services is largely only guaranteed through donor investments.

Ultimately, the real question, as put by Peter Sands, the Global Fund's Executive Director, and Dr. Tedros Adhanom Ghebreyesus, Director General of the World Health Organization, isn't whether the world can afford to contribute further to the Global Fund, but rather, can it afford not to?

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