



Independent observer
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The Global Fund Investment Case: Is it enough?

I listened in to the debriefing session on the Global Fund Investment Case for Communities and Civil Society hosted by the Global Fund Advocates Network (GFAN) on 25 February when Johannes Hunger and Dianne Stewart from the Global Fund Secretariat gave presentations and answered questions on the [Investment Case](#). From that session, I gained a better idea of the difficulty in determining the right 'Ask' for the Seventh Replenishment.

Since then, I think everyone has come to realise that whatever the funding commitments for the Seventh Replenishment, thanks to Vladimir Putin's 'special military operation', there will be no chance of eradicating HIV and tuberculosis (TB) in Russia, Ukraine, Belarus and neighbouring countries in the foreseeable future. Our hearts go out to those who are and those who will be affected by these diseases as well as the war.

The day before the GFAN debriefing session a statement was issued at the Seventh Replenishment Preparatory Meeting from the Communities, Developing NGO and Developed NGO Delegations to the Global Fund Board which ended by saying: "the call for at least \$18 billion is the floor, not the ceiling. It is a starting point, not an endpoint." That became more apparent during the debriefing session which opened with an outline of the investment case modelling and methodology. For me it was reassuring to know that the Secretariat had engaged well-respected organisations of specialists to assist in estimating the investment needs.

Investment requirements to fight HIV/AIDS, TB and malaria and for strengthening health systems including pandemic responses were estimated to total \$130.2 billion over the three-year period 2024-2026. The contribution breakdown of that amount is:

Resource Needs

Global Fund contribution	\$18.0 billion	14%
Domestic resources	\$58.6 billion	45%
Non-GF external financing	\$25.2 billion	19%
Unfunded gap	\$28.4 billion	22%

Why then ask for \$18 billion and not more? I think it is understandable because the Investment Case is asking for 30% more than was pledged at the Sixth Replenishment three years ago. In the current global economic situation, it is going to be difficult to convince donors to commit more, so even securing 30% more would be a significant achievement.

According to the executive summary of the Global Fund's Seventh Replenishment Investment Case, the Global Fund invests over \$1 billion per year to build resilient and sustainable systems for health (RSSH), making it the largest multilateral provider of grants for this purpose. That means that \$3 billion of the current \$14 billion is spent on RSSH. It also states that an estimated one-third of the \$18 billion – \$6 billion – will be investments in health systems that both support the ongoing fight against HIV, TB and malaria and reinforce pandemic preparedness.

We were informed at the debriefing session that, of a total up to \$12 billion of the Seventh Replenishment: 50% would be allocated to HIV grants, 18% to TB and 32% to malaria. Funding available in excess of \$12 billion will then be allocated as follows: HIV 45%, TB 25% and malaria 30%. If available funding were to exceed \$18 billion, more (40-50%) would be allocated to TB.

Now this is where I have become slightly confused because I subsequently read in the executive summary referred to above that "A Seventh Replenishment of at least \$18 billion would enable the Global Fund to make a significant contribution to building resilient and sustainable systems for health and strengthening pandemic preparedness. With approximately \$6 billion for investments to strengthen health systems and community networks, or \$2 billion a year, the Global Fund could significantly enhance its role in supporting countries' efforts to build more people-centred and integrated systems for health, better able to prevent, detect and respond to infectious disease threats." This suggests that only \$12 billion of the \$18 billion would be allocated to disease programmes. This is something that requires clarification. Since the main document was at that time not accessible to the public, it would also have helped if the executive summary had provided some basic breakdown of the estimated \$130.2 billion three-year total.

The executive summary also has graphs that show the margins of error in disease incidence and mortality; and these were discussed in more detail at the debriefing session. What they indicate is that the diseases are very unlikely to be eradicated by 2030 and – depending on how much is invested, when the COVID-19 pandemic ends and the occurrence of other extraneous factors – they are likely to continue for some years thereafter. The funding gap of \$28.4 billion will have to be filled to stay on course; and it would be wishful thinking to suppose that that can happen.

Financial numbers are just that; and one's attention to them soon wanes. So, before we become depressed about the challenges to eradicating HIV, TB and malaria, it is good to remind ourselves of what the proposed \$18 billion for the Seventh Replenishment is expected to achieve:

- 20 million lives saved between 2024 and 2026, reducing the mortality rate by 64% across the three diseases by 2026, relative to 2020 levels.
- Reduce the death toll across the three diseases to 950,000 in 2026, down from 2.4 million in 2020, and from 4 million in 2005.
- Avert more than 450 million infections or cases reducing the incidence rate by 58% across the three diseases by 2026, relative to 2020 levels.

Unfortunately, even with \$18 billion, these expectations may not be fully realised because the world is experiencing increasing inflation and the investment case does not take account of inflation. Just allowing for modest inflation of 5% annually, \$20.8 billion will be required for the equivalent of \$18.0 billion at end-2021 prices.

I look forward to seeing the presentations and documents referred to during the briefing session, particularly the full Investment Case report, which has just been made available.

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