



Independent observer
of the Global Fund

Donors Pledge \$12 Billion for 2014–2016

Donors pledged an historic \$12.007 billion to the Global Fund to Fight AIDS, Tuberculosis and Malaria for implementation of its new approach that will see more resources targeting key affected populations in the countries least able to pay. The pledges were made before and during the Fourth Replenishment conference in Washington, DC on 2–3 December.

While a considerable improvement over the \$9.2 billion in pledges made at the last replenishment conference in 2010 for the 2011–2013 period, the pledges fell short of the hoped-for \$15 billion the Global Fund has estimated is required to meet the needs in the 150 countries where prevention and treatment programmes are currently supported.

A needs assessment, jointly conducted by the Fund with the World Health Organization, UNAIDS, Roll Back Malaria and the Stop TB Partnership, determined in April 2013 that \$87 billion from both domestic and external sources was needed to completely vanquish the three diseases.

The commitments to the 2014–2016 cycle from countries included a promise by the US government to match every \$2 raised with \$1, subject to approval from the US Congress, up to \$5 billion. “Don’t leave our money on the table,” US President Barack Obama said on 2 December at an event to open the pledging conference.

The UK government also conditioned its pledge of up to £1 billion (\$1.64 billion) to match 10% of the global contribution to the Fund. “What is needed more than ever is political commitment” to the global fight against three of the biggest killers and inhibitors of economic development in low-income countries, UK Prime Minister David Cameron said in a video message.

Twenty-three other countries and the European Commission joined the US and UK in pledging to support

the next cycle of programming under a soon-to-be inaugurated new funding model (NFM) that will require a deeper commitment to responding to the needs of vulnerable populations, including men who have sex with men, commercial sex workers, injection drug users and prisoners.

France, which has traditionally been the second-largest contributor to the Fund after the US, was slightly edged out in this round by the UK promise, offering €1.08 billion (\$1.4 billion), which includes some €20 million in technical assistance to Francophone countries, mostly in West and Central Africa, for proposal development under the NFM and for grant implementation. Germany and Japan tied as the Fund's fourth largest contributors, each offering \$800 million over the next three years.

Italy proudly returned to the ranks of contributing nations after five years of absence with a pledge of €100 million. Other countries that upped their contributions significantly included The Netherlands, from \$210 million to \$250 million, and Sweden, which attributed a more than 30% increase in its pledge to \$382 million to the strength of its economy and its currency, the kroner.

But if there were countries whose largesse to the financing mechanism befitted the strength of their economies, so too were there others whose modest national coffers were also tapped to contribute to the financing mechanism.

Malawi, which has benefitted from some \$834 million in Global Fund grants since 2002, committed "in [their] own small way" \$500,000 to show support. Namibia vowed to make good on its commitment in the previous funding cycle before the end of the year and pay its balance of \$250,000 on a \$750,000 pledge. Meanwhile Nigeria, a billion-dollar recipient of Global Fund aid, announced its intention to spend more than \$450 million domestically on its fight against the epidemics and offered another \$30 million back to the Fund's coffers.

Other implementing countries making contributions included India, at \$16.5 million, China, at \$15 million, and Mexico, which committed to redirecting \$30.5 million in assistance back to the global coffers.

Private sector contributions were assessed at \$108 million for the next funding cycle. But Aidspan understands from sources within the private sector delegation that more could be forthcoming as the Fund implements its new approach and generates impact and results data that show better value for money.

The United Methodist Church became the first faith-based organisation to pledge support for the Fund, offering \$19.9 million. The Bill and Melinda Gates Foundation remained the single largest foundation supporter of the mechanism, offering \$200 million in matching grants for private sector contributions in addition to \$300 million in promissory notes already extended.

"The Global Fund is one of the smartest investments that the world can make toward a better future," Bill Gates told assembled delegates on 2 December. "The Global Fund helps provide treatment and prevention so communities and countries get the chance to be healthy and productive."

Despite the not-insignificant boost in contributions over the last funding cycle, there were some disappointments. Neither Japan nor Australia increased their contributions from the previous replenishment. Both Spain and Brazil cited their current financial crises as the justification for their inability to commit funds, despite their continued support for the Fund. And Switzerland and Russia were unable to announce their commitments due to ongoing budgetary negotiations at the legislative level.

Aidspan will publish a complete table of contributions shortly.

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