



Independent observer
of the Global Fund

REACTION TO THE GLOBAL FUND'S DECISIONS ON ROUND 11 AND GRANT RENEWALS

The Global Fund's decision to do away with Round 11 is "short-sighted" because it comes at a time when science had shown that the end of HIV/AIDS is "within our grasp." This was the view expressed by the Health Global Access Project (Health GAP), Medecins Sans Frontieres (MSF), the International Treatment Preparedness Coalition, and the International HIV/AIDS Alliance in the days after the Global Fund Board moved to cancel Round 11 and announce tough new rules for grant renewals.

In a statement released on 23 November, Health GAP referred to "game changing" new scientific findings that HIV treatment not only saves lives, it reduces the risk of sexual transmission of HIV transmission by 96%. "Just two weeks ago," Health GAP said, "U.S. Secretary of State Hillary Clinton announced that ending AIDS is now official U.S. policy; just yesterday UNAIDS and the World Health Organization (WHO) announced significant gains in prevention (the beginning of declines in new infection) and HIV treatment (a 26% increase in access in just one year)."

"The funding window that was cancelled today would have enabled scale-up of lifesaving treatment and prevention services for HIV, tuberculosis and malaria to millions of poor people in developing countries," said Asia Russell of Health GAP. "What is particularly scandalous about this cancellation is that donors didn't have to do it," said Brook Baker of Health GAP. "The amounts of money we're talking about are barely a rounding error in donor budgets."

[MSF](#) said that on the ground in hard-hit countries where it works, the devastating effects of the overall funding crunch are becoming apparent. For example, MSF said, the Democratic Republic of Congo is already severely capping the number of people able to start on antiretrovirals (ARVs), and other countries are facing a shortage of ARVs.

“There’s a shocking incongruence between both the new HIV science and political promises on one hand, and the funding reality that is now hitting the ground on the other,” said Dr Tido von Schoen-Angerer, executive director of MSF’s Access Campaign. “Donors are really pulling the rug out from under people living with HIV/AIDS at precisely the time when we need to move full steam ahead and get life-saving treatment to more people.”

IIPC said that the lack of political and financial commitment to the AIDS response is “deeply worrisome.” It said that “the millions of people living with and fighting against these deadly diseases will pay an enormous price. Rather than building on the new evidence that AIDS treatment saves lives and prevents new infections, and scaling up treatment programs to try to end this epidemic, donor governments are now implicitly supporting a policy of triage, determining who lives and who dies.”

IIPC said that the shortfall in funding for the Global Fund is “an insignificant amount in comparison to the bank bailouts made by the U.S. and European governments, or even the bonuses set aside for Goldman Sachs executives this year.” (Goldman Sachs is an investment banking and securities firm headquartered in New York.)

The International HIV/AIDS Alliance said in a [statement](#) on its website that the news that the Global Fund Board had decided to cancel Round 11 has devastated civil society organisations across the Alliance global partnership. Baba Goumbala, the Alliance’s Regional Representative in Africa, said, “We should not be shy in saying this decision and the financial situation of the Global Fund at this moment is a disaster for Africa.”

In an article that appeared in the newswire service [Reuters](#), a coalition of AIDS activist organisations said that Southern African countries, hardest hit by the HIV/AIDS pandemic, are likely to be most affected by the situation at the Global Fund. The coalition said that countries that rely heavily on Global Fund aid, including Swaziland, Malawi, Zimbabwe and Mozambique, are expected to see increasing fatalities and infections as a result of funding shortfalls.

“It is a disaster for Zimbabwe as a country,” said Faizel Tezera of MSF. “More than 86,000 people will be left without treatment and about 5,000 children will be affected.

The coalition said that the situation in Swaziland, where approximately 26 percent of the population of 1.2 million live with HIV, was dire, with stockpiles of ARVs already dwindling.

Representatives from MSF and the South African lobby group Treatment Action Campaign warned of an impending disaster.

Writing in the [Financial Times](#), Javier Hourcade Bellocq, Latin America and Caribbean regional representative for the International HIV/AIDS Alliance, and a member of the Communities delegation to the Global Fund Board, said that donors have not fulfilled their financial pledges to the Global Fund and, as a result, developing countries are the first ones hit by this crisis. Bellocq added that “international solidarity, perhaps the most precious resource needed to reach the Millennium Development Goals, is in

dangerously short supply.” Bellocq recalled that “a few days ago at the Fund’s meeting, tensions were high among representatives of implementer countries: They were fighting to be granted the dubious recognition of being the poorest among the poor in order to guarantee their access to the few resources still left. During these discussions, we tend to forget that people have a right to live regardless of where they were born.”

In her Global Health blog in The Guardian newspaper, [Sarah Boseley](#) said that the Global Fund has been “staring at a financial black hole ever since its big replenishment meeting in New York a year ago failed to deliver the sums it hoped for. It wanted \$20bn. It got \$11.7bn. That was in spite of exhortations to donors to pledge money from the U.N. Secretary General, Ban Ki-moon, who warned that the stakes were high and that lives would be lost if pressure on the big killer diseases was not maintained.”

Writing in a blog in the magazine New Statesman, [Simon Reid-Henry](#) called the announcement by the Global Fund that it was cancelling Round 11 “unprecedented,” and said that “it reveals just how precarious daily life has become for the global 99 per cent: those whose very health, as much as their job security, is pegged to the rise and fall of the money markets.”

Reid-Henry said that “the politics of austerity we are going through has not even begun to be properly costed. This is the real lesson of the Global Fund’s demise and it will require much more than simply getting wealthy donors back on board to address it.”

The [Associated Press](#) (AP) carried an article on the Global Fund’s decision that was widely picked up by media. AP quotes Simon Bland, Chair of the Global Fund Board, as saying

“We’re not cutting back – we’re not expanding.” Bland said that the fund had to make some “tough decisions to protect some of the gains that have already been delivered.” (See also Article 5.) AP quotes Christoph Benn, the Global Fund’s external relations director, as saying that the Fund has \$4 billion on hand to meet all of its current commitments, and the “presumption” is that people in China, Brazil, Mexico and Russia won’t suffer because their governments will commit their own resources to take over the next phase of the Fund’s programmes. (Benn was referring to the new “G-20 rule” for grant renewals; see Article 1.)

The Health GAP and ITPC statements were disseminated by email and are on file with the author.

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