



Independent observer
of the Global Fund

President Biden pledges for the Global Fund's Seventh Replenishment

Given the uncertain future, we can readily understand the Global Fund enthusiastically welcoming President Joe Biden's request to the United States Congress for a commitment of \$2 billion for the Global Fund for fiscal year 2023, the first year of the Global Fund's 2023-2025 funding cycle. President Biden's fiscal year 2023 budget includes "... a \$2 billion contribution for the Global Fund's Seventh Replenishment, for an intended pledge of \$6 billion over three years...." The White House notes that the United States will "match \$1 for every \$2 contributed by other donors".

This is very important in the run-up to the Seventh Replenishment Conference this coming October. An [earlier GFO article](#) explained that the replenishment of \$18 billion is considered by the Global Fund Advocacy Network (GFAN) to be insufficient to address the seemingly insurmountable task at hand. GFAN has estimated that \$28 billion, including \$4.5 billion for community-led responses, is the minimum needed by the Global Fund over the next three years. Even so, obtaining pledges totalling \$18 billion will be challenging. It will be the biggest replenishment increase yet. These are the totals pledged at previous replenishment conferences:

	Date	Amount (\$ million)	Pledged by the US
Sixth	October 2019	14,029	4,680
Fifth	December 2016	12,906	4,300
Fourth	December 2013	12,007	4,002
Third	October 2010	11,692	4,000
Second	September 2007	9,700	

Seeking 30% more from donors (including countries) at a time when many are struggling to finance their own health systems is a tall ask. Some donors – like the United Kingdom – are considering reducing aid, not increasing it. So, by aiming to pledge a third of the \$18 billion sought by the Global Fund, President Biden has set a good example to other donors. Now is the time to provide the support when it is most needed.

The situation today is very different from that at the time of the Sixth Replenishment. At that time, economies were growing. There was optimism that low- and lower-middle-income countries would raise more domestic resources for health. And there was hope of achieving the 2030 Sustainable Development Goals and eradicating HIV, TB and malaria. Even so, President Macron of France had to make an impassioned speech to encourage donors to meet the replenishment target.

The world today is in a worse situation than expected. Weaknesses in health systems have been exposed by the COVID-19 pandemic, which continues to spread worldwide. Economies have shrunk and many low- and lower-middle countries will struggle to get their economies back on course. More people are below the poverty line and unable to meet out-of-pocket payments for health services and medicines while governments, burdened by increased debt, will struggle to maintain their expenditure levels on health. As if that wasn't bad enough, the war in Ukraine will lead to a significant reduction in wheat and other agricultural products which means higher prices. How will governments in low- and lower middle-income countries be able to pay higher prices to import the food products needed to feed their populations? It is evident that those countries are today in need of greater assistance; and increased investment in health is needed to improve their health systems and keep health programs on course, thereby contributing to economic growth.

If the war in Ukraine continues and escalates, many donors, responding to the needs that that may prompt, could be less willing or able to provide more funding in support of the Seventh Replenishment. The outlook is not promising: growing conflict, the continuing COVID pandemic and increasing world food prices, poverty and hunger.

That is why President Biden's request to Congress is so important. It provides an early example to other donors to support the Investment Case that makes the argument for why donors need to step up to the plate and not hold back if they want to see a healthier, safer world. This is crucial at a time when increasing poverty is rendering people more vulnerable to the effects of HIV, TB and malaria. We can only hope that other donors will follow the US lead.

Traditionally, the United States matches \$1 for every \$2 committed to the Global Fund by other donor countries. It is therefore to be hoped that other donors will, collectively, commit more than \$12 billion. That remains the big unknown.

Finally, we end by noting that the Global Fund's [Investment Case](#) estimates that \$58.9 billion (also a 30% increase) is expected from implementing countries' domestic resources on top of any pledges they may make towards the \$18 billion. But realistically speaking, these countries simply will not be able to afford this. They are far worse off now than at the time of the Sixth Replenishment. Smaller economies, lower revenue streams, substantially increased debt, increased levels of poverty, higher cost of food imports – everything is against them.

Countries have contributed in the past and want to continue to do so: but they too will find other more exigent demands on their domestic resources' agenda. To support this point, look at the following table of the latest published data on the Sixth Replenishment pledges and the contributions made to date. Note

that. as we enter the second quarter of 2022, of the 21 African countries who made pledges, only Burkina Faso has paid in full while six other countries are on their way to meeting their pledges through mechanisms such as Rwanda's annual disbursement plan for the three-year period. Despite the modest level of their pledges, 13 countries have so far contributed nothing. Now is not the best time to pursue them for payment; and to expect them to make further pledges or for other countries who have not in past done so to make pledges at the Seventh Replenishment is wishful thinking.

Sixth Replenishment (2020-2022) Pledges and Contributions as at 15 March 2022

Non-Grant Recipient Donors	Pledged	Contributed	
Australia	AUD 242 m	AUD 143.1 m	59%
Belgium	€ 45 m	€ 0 m	0%
Canada	CAD 1,055.4 m	CAD 686.5 m	65%
Denmark	DKK 375 m	DKK 250 m	67%
European Commission	€ 550 m	€ 409.54 m	74%
France	€ 1.3 bn	€ 774.03 m	60%
Germany	€ 1.29 bn	€ 990 m	77%
Greece	€ 50,000	€ 50,000	100%
Ireland	€ 50 m	€ 32.5 m	65%
Italy	€ 161 m	€ 101.94 m	63%
Japan	US\$ 840 m	US\$ 771.61 m	92%
Kuwait	US\$ 6.5 m	US\$ 4.5 m	69%
Luxembourg	€ 11.32 m	€ 11 m	97%
Malta	€ 300,000	€ 300,000	100%
Monaco	€ 400,000	€ 200,000	50%
Netherlands	€ 183 m	€ 121 m	66%
New Zealand	NZD 2.5 m	NZD 2 m	80%
Norway	NOK 2.77 bn	NOK 1.97 bn	71%
Portugal	€ 1,000,000	€ 866,250	87%
Qatar	US\$ 50 m	US\$ 30 m	60%
Saudi Arabia	US\$ 30 m	US\$ 15 m	50%
Spain	€ 100 m	€ 40 m	40%
Sweden	SEK 2.95 bn	SEK 2 bn	68%
Switzerland	CHF 114 m	CHF 91.25 m	80%
United Arab Emirates	€ 50 m	€ 27 m	54%
United Kingdom	GBP 1.46 bn	GBP 866 m	59%
United States	US\$ 4.68 bn	US\$ 4.68 bn	100%

Sub-Saharan Africa	Pledged	Contributed	
Benin	US\$ 1 m	US\$ 0 m	0%
Burkina Faso	US\$ 1 m	US\$ m	100%
Burundi	US\$ 1 m	US\$ 0.302 m	30%
Cameroon	XAF 3 bn	XAF 0 bn	0%
Central African Rep.	XAF 600 m	XAF 0 m	0%
Congo	US\$ 5.5 m	US\$ 0 m	0%
Dem. Rep. of Congo	US\$ 6 m	US\$ 0 m	0%
Côte d'Ivoire	US\$ 1.5 m	US\$ 0 m	0%
Equatorial Guinea	€ 2 m	€ 0 m	0%
Eswatini	US\$ 6 m	US\$ 4 m	67%
Kenya	US\$ 6 m	US\$ 4 m	67%
Madagascar	US\$ 1 m	US\$ 0 m	0%
Mali	€ 500,000	€ 0 m	0%
Namibia	US\$ 1.5 m	US\$ 0 m	0%
Niger	US\$ 1 m	US\$ 0 m	0%
Nigeria	US\$ 12 m	US\$ 10.17 m	85%
Rwanda	US\$ 2.5 m	US\$ 1.7 m	68%
Senegal	US\$ 1 m	US\$ 0 m	0%
South Africa	US\$ 10 m	US\$ 6 m	60%
Togo	US\$ 1 m	US\$ 0 m	0%
Uganda	US\$ 2 m	US\$ 0.078 m	4%

Other Recipient Donors	Pledged	Contributed	
Armenia	US\$ 15 m	US\$ 0 m	0%
Azerbaijan	US\$ 20 m	US\$ 5.8 m	29%
China	US\$ 18 m	US\$ 12 m	67%
India	US\$ 22 m	US\$ 14 m	64%
Korea (Rep. of)	US\$ 25 m	US\$ 8.77 m	35%
Thailand	US\$ 4.5 m	US\$ 4.34 m	96%
Ukraine	US\$ 80,000	US\$ 80,000	100%

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