



Independent observer
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The US President's speech and the Global Fund

President Bush uttered some remarkable words about AIDS in his State of the Union address on Tuesday evening – more decisive and action-oriented words than we've heard from any US President while in office. Bush acknowledged the severity of the crisis; he said the US should play the leading role in tackling it; and he accepted the need for widespread treatment programmes. Particularly interesting is that he pointed out that the cost of anti-retroviral drugs has dropped to \$300 per year. That's true; but it only happened thanks to feisty non-US manufacturers of generic drugs, whose interests the Bush administration has so often fought against.

Bush's commitment to \$10 billion in new money sounds impressive at first. But it's money to be spent over five years, the first of which is 2004, not 2003. And only \$1 billion of it is currently earmarked for the Global Fund – an average of \$200 million annually, which is no better than the US has contributed to the Fund thus far.

The Global Fund will need about \$40 billion over the five years 2004-2008. The US's "equitable contribution" to that, based on relative GDP, is at least \$10 billion, and more realistically about \$14 billion. In that context, the President's promise of \$5 billion of "old money" plus \$10 billion of "new money", all to be spread over five years, with only one tenth going to the Fund and the rest to bilateral programs, sounds unexciting.

The US should give a far higher percentage of its AIDS money to the Global Fund. And it should do so right now, rather than waiting until 2004. The US administration recently acknowledged that the Fund "is up, is operating, and is effective." Tommy Thompson, head of the US delegation to the Fund and candidate for the Chairmanship – and the man who was booed throughout his speech at the Barcelona AIDS conference by activists yelling "Where's the \$10 billion?" – should make it clear that the US will allocate at least half of its AIDS money to the Fund, not one tenth. And then he should urge other donors

to follow that example.

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