



Independent observer  
of the Global Fund

## RESOURCE MOBILIZATION

### . Replenishment Conference

The board agreed at an earlier meeting that in 2005 it will hold a two-part Replenishment Conference at which many donors and potential donors will meet to discuss Global Fund needs and the amounts they are prepared to pledge for 2006 and 2007 (and, with luck, for 2005).

In Arusha it was agreed that the Conference will take place in Stockholm in March, and in the UK in early September. It was also agreed that the Chair will be Kofi Annan, UN Secretary-General, and the Vice-Chair will be Dr. Sven Sandström of Sweden.

### 2. Comprehensive Funding Policy

As discussed in previous issues of GFO, one problem that the Fund currently faces is that it has a policy stating that before it signs any grant agreement, it must place in the bank the entire amount that implementing that agreement will cost. This means that it will find itself sitting on a multi-billion dollar “cash mountain” which, although it is all spoken for, gives the impression that the Fund has spare cash when in fact it does not.

Arising from this, the board agreed in Arusha to commission a “study of the options and choices available to the Global Fund in its fiscal management structure and processes,” to be completed by the April 2005 board meeting. The study is likely to be carried out on a pro bono basis by a major financial service firm.

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