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Two New Debt2Health Agreements Signed

New Debt2Health agreements have been signed among the Global Fund and several countries. One agreement involves Australia and Indonesia; another involves Germany and Côte d'Ivoire. This brings the total number of Debt2Health agreements to four.

Debt2Health is an innovative financing initiative of the Global Fund. It helps channel money of developing countries away from debt repayment and towards life saving investments in health. The first two agreements involved, respectively, Germany and Indonesia, and Germany and Pakistan.

Under an agreement signed in July 2010, Australia will cancel about US\$75 million of Indonesia's debt and, in return, Indonesia will invest half of this amount in national programmes to combat tuberculosis through the Global Fund. Indonesia has the third highest rate of tuberculosis in the world, with more than 90,000 Indonesians dying from the disease every year. Despite tuberculosis being preventable and curable, the disease is on the rise in Indonesia and many other developing countries.

Under an agreement signed in September 2010, Germany will cancel about \$27 million of Côte d'Ivoire's debt, and Côte d'Ivoire will invest half of this amount in national programmes to combat HIV/AIDS through the Global Fund. Côte D'Ivoire is the first African country to benefit from Debt2Health. The HIV prevalence rate in the West African country is 3.9 %.

To date, a total of about \$210 million has been written off in swap agreements between creditor and debtor countries.

The information for this article was taken from two Global Fund press releases: “Australia, Indonesia and the Global Fund sign debt swap agreement to increase Tuberculosis services in Indonesia”; and ‘Global Fund, Côte D’Ivoire and Germany sign agreement to convert debt into resources to fight AIDS.’ Both press releases are available at www.theglobalfund.org/en/pressreleases.

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