

Ensuring Australia contributes its fair share to the Global Fund Replenishment

SUMMARY: *The Global Fund to Fight AIDS, TB and Malaria is currently seeking donor commitments to its funding replenishment for the three year period 2011-2013. The Global Fund has proven itself to be a very effective funding mechanism for these three major infectious diseases. AIDS, TB and malaria advocates believe that the minimum replenishment should be US\$20 billion for the three year period with Australia's fair share of this being around A\$500m. This month we will ask the Minister for Foreign Affairs and the Shadow Minister for Foreign Affairs to each make election commitments to provide A\$500m for this replenishment.*

THE GLOBAL FUND TO FIGHT AIDS, TB AND MALARIA

The (Global) Fund is the great success story of multilateral foreign policy this past decade. What makes it different from most good causes is the certainty of a return on investment.... There is no sector of government expenditure that gives a better human return.

The Lancet May 2010

Since it was established in 2002 the Global Fund has proven to be one of the most effective funding mechanisms to promote global health. The Global Fund provides funding to countries requiring assistance with any of the three major infectious diseases: AIDS, TB and malaria. As a central fund, all countries can apply for assistance, the allocation decisions are technically based and transparent and there is a high degree of civil society involvement in the Global Fund decision making.

Recently the Global Fund estimated that it had prevented **5.7 million** deaths since 2002.

Every three years the Global Fund seeks funding replenishment. During the current period of 2008 – 2010 total funding has been around US\$10 billion. To ensure progress in dealing with these diseases continues, many civil society advocates are calling for donors to contribute a minimum of US\$20 billion over the next three years. (2011-13) There is certainly a need for significant expansion. Despite great progress in responding to these diseases there are still around 2 million deaths from AIDS each year, 2 million from TB and 1 million from malaria. The main impediment to preventing these deaths is a lack of funds.

The replenishment process has already begun and will be finalized at a donor conference on October 5th. It is now an ideal time to approach the Government and Opposition on this issue, especially given the upcoming election.

AUSTRALIA'S FAIR SHARE

With approximately 2% of donor country total income Australia should contribute at least 2% of the total funding requirements or A\$500m over the three years. Currently Australia is contributing around \$45 m a year or \$135 million over three years. We are therefore asking for a large increase in the contribution. However in the context of Australia's growing aid budgets (with the commitment to reach 0.5% of GNI for aid by 2015), paying

our full fair share of the Global Fund replenishment is easily affordable. In fact it is a very good, administratively efficient way for the Australian Government to make sure that its additional aid is well spent.

Based on current Global Fund figures A\$500 million over three years from Australia would deliver 145,000 more people onto antiretroviral therapy, 130,000 people onto tuberculosis treatment, 3,675,000 long lasting insecticidal nets to prevent malaria, support for 85,000 orphans and 20,500 women receiving prevention of mother-to-child transmission of HIV, thus providing vital support to a total of 4,055,500 people, and saving hundreds of thousands of lives.

Proposed phased funding of Global Fund replenishment

The table here sets forth a phased funding strategy for the next three years that achieves the full \$500m replenishment without using more than 10% of the additional aid funds available each year.

	Estimated ODA A\$m	Estimated Increase in aid A\$m	Proposed Global Fund contribution A\$m	Share of increase required
2010-11	4349		45	
2011-12	4878	529	100	10%
2012-13	5587	709	165	9%
2013-14	6515	928	235	8%

Based on budget growth forecasts May, 2010

Given that this significant funding increase can be achieved using no more than 10% of the planned budget increases, the full replenishment of the Global Fund by Australia can be achieved while also providing our fair share of funding to other important areas of health (such as maternal and child health) and other sectors.

It should also be noted that to date Australia's level of support for the Global Fund has been low in comparison with most other donors. Since the Global Fund's inception in 2001 Australia's *per capita* contributions to the fund are less than one half that of the US and UK, a third that of Canada, a fifth that of Ireland, France or Holland and one ninth that of Norway. It is therefore time that Australia stepped up to the plate in our support for this critical and effective institution.

ACTION:

Contact Stephen Smith, The Minister for Foreign Affairs and Julie Bishop, The Shadow Minister for Foreign Affairs (Stephen.Smith.MP@aph.gov.au and Julie.Bishop.MP@aph.gov.au or C/-Parliament House Canberra ACT 2600, and ask them to make a pre election commitment to provide our full share of funding in the next Global Fund replenishment of \$500 million over three years. Also:

1. Point out how important the Global Fund's work is and how effective it is.
2. Show that Australia has not been pulling its weight in its support for the Global Fund.
3. Explain that this will cost less than 10% of the increased funding available for aid each year.
4. Note that this will be one of the first tests of the incoming government's policies on international development.

See also http://www.theglobalfund.org/documents/replenishment/2010/Global_Fund_2010_Innovation_and_Impact_en.pdf
http://www.theglobalfund.org/documents/replenishment/2010/Resource_Scenarios_en.pdf