
Commitment

“We recognize that the level of demand to the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM) will increase substantially in the future as has been projected by the GFATM Board. In this regard, noting the conclusions of the April meeting of the GFATM Board, which estimated an additional demand of approximately US$6 billion by 2010 which might possibly reach US$8 billion, G8 members pledge to work with other donors to replenish the GFATM and to provide long-term predictable funding based on ambitious, but realistic demand-driven targets.”

Growth and Responsibility in Africa

Assessment

<table>
<thead>
<tr>
<th>Country</th>
<th>Lack of Compliance</th>
<th>Work in Progress</th>
<th>Full Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>-1</td>
<td>0</td>
<td>+1</td>
</tr>
<tr>
<td>France</td>
<td></td>
<td></td>
<td>+1</td>
</tr>
<tr>
<td>Germany</td>
<td></td>
<td></td>
<td>+1</td>
</tr>
<tr>
<td>Italy</td>
<td>0</td>
<td></td>
<td>+1</td>
</tr>
<tr>
<td>Japan</td>
<td></td>
<td>0</td>
<td>+1</td>
</tr>
<tr>
<td>Russia</td>
<td></td>
<td>0</td>
<td>+1</td>
</tr>
<tr>
<td>United Kingdom</td>
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<td></td>
<td>+1</td>
</tr>
<tr>
<td>United States</td>
<td></td>
<td>0</td>
<td>+1</td>
</tr>
<tr>
<td>European Union</td>
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</tr>
<tr>
<td>Average Score</td>
<td></td>
<td></td>
<td>+0.67</td>
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</tbody>
</table>

Background

The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria was formed at the 2000 Okinawa Summit and formally launched at the 2002 International AIDS Conference in Barcelona.1396 The Global Fund is a private-public partnership between governments, civil society, the private sector and communities around the world. It aims to finance projects that support the eradication, treatment, or prevention of those diseases that cumulatively kill approximately six million people a year.1397 At the 2006 St. Petersburg Summit, the G8 countries renewed their commitment to combat HIV/AIDS, tuberculosis and malaria through the financing of the Global Fund’s 2006-2007 funding period as well as by encouraging the global community to actively work towards the development of the four-year Strategic Framework. Commitments to replenish the Global Fund have been made at the 2003 Evian Summit1398 and at the 2005 Gleneagles Summit.1399 At the Heiligendamm Summit in June 2007, host Germany chose to advance further the issue of Africa with a renewed emphasis on African health. HIV/AIDS, tuberculosis and malaria threaten the stability and economic development of entire countries and intensify the poverty, marginalization and vulnerability of entire countries.1400 Successfully addressing these diseases, particularly HIV/AIDS, which Germany

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identified as “a prominent problem for the globalised world.”\textsuperscript{1401} is a crucial step to the achievement of the Millennium Development Goals by 2015.\textsuperscript{1402}

In Heiligendamm, G8 members identified the need for substantial resources to realize the Millennium Development Goal to fight HIV/AIDS, tuberculosis and malaria on a sustainable basis.\textsuperscript{1403} In order to achieve successful compliance, G8 countries are expected to contribute their “fair share” in pledges towards the replenishment of the Global Fund.\textsuperscript{1404} During the Fund-the-Fund campaign, one hundred international organizations came together to support the Equitable Contributions Framework.\textsuperscript{1405} The Equitable Contributions Framework is a formula developed to show the world’s forty-seven wealthiest states that their “fair share” contribution to the Global Fund should be based on the Global Fund’s total budget relative to a country’s economic capability and GDP.\textsuperscript{1406} In order to provide transparency on specific actions the G8 has taken and continues to take in order to deliver on the health related promises of recent years, the German Presidency has published the first Review of the Work of the G8 in Tackling the Three Pandemics HIV/AIDS, Tuberculosis and Malaria.\textsuperscript{1407}

In addition, G8 member states have committed to actively support and participate in the development of a four-year Strategic Framework. This Strategic Framework will ultimately solidify the activities and initiatives of the Global Fund for the coming years. The first elements of the Framework were adopted at the Global Fund’s Fourteenth Board Meeting from 31 October to 3 November 2006 in Guatemala City, Guatemala.\textsuperscript{1408} This was followed by the Fifteenth Board Meeting of the Global Fund, which took place on 25-27 April 2007 in Geneva, Switzerland and the Sixteenth Board Meeting of the Global Fund, which took place on 12-13 November 2007 in Kunming, China.\textsuperscript{1409} During the Seventeenth Meeting of the Global Fund, held again in Geneva, Switzerland on 28-29 April 2008, the Global Fund Secretariat outlined plans for a new structure and management team to position the GFATM for future growth; a simplified grant architecture and processes in response to concerns expressed by the donor countries; and consolidated partnerships at the global level through more sustained engagement of the civil society and private sector.\textsuperscript{1410}

To promote periodic replenishment and to ensure sustainable and predictable support for of the Global Fund, the Board of the Global Fund established its replenishment mechanism in October 2003.\textsuperscript{1411} The process was based on the financing model of a number of international funds to enable donors to better plan their financial commitments and provide a forum for vital exchange on donor expectations.\textsuperscript{1412} The replenishment cycle has now been extended to three years and will cover the period 2008-2010. The First Meeting of the Global Fund’s Second Voluntary Replenishment was held on 6-7 March 2007 in Oslo,
Norway. The Second Meeting of Global Fund’s Second Voluntary Replenishment met 26-28 September 2007 in Berlin, Germany.¹⁴¹³

*Team Leader: Christopher VanBerkum*

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Funding to Date of the Global Fund to Fight AIDS, Tuberculosis and Malaria by the G8

<table>
<thead>
<tr>
<th>DONOR†‡</th>
<th>AMOUNT PLEDGED (USD)</th>
<th>PLEDGE PERIOD</th>
<th>TOTAL PLEDGED TO DATE (USD)</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>PLEDGE PERIOD TO BE CONFIRMED</th>
<th>2007 PLEDGE AS PERCENT OF 2007 GDP††</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANADA</td>
<td>775 663 675</td>
<td>2005-2010</td>
<td>373 886 775</td>
<td>110 599 894*</td>
<td>148 051 572</td>
<td>148 075 025</td>
<td>148 075 025</td>
<td>-</td>
<td>0.0087%</td>
</tr>
<tr>
<td>FRANCE</td>
<td>2 604 047 492</td>
<td>2002-2010</td>
<td>1 396 862 383</td>
<td>424 940 657</td>
<td>466 03 9483</td>
<td>467 289 720</td>
<td>467 289 720</td>
<td>-</td>
<td>0.0206%</td>
</tr>
<tr>
<td>GERMANY</td>
<td>1 337 403 702</td>
<td>2002-2010</td>
<td>546 126 443</td>
<td>116 680 260</td>
<td>311 233 699</td>
<td>311 526 480</td>
<td>311 526 480</td>
<td>-</td>
<td>0.0041%</td>
</tr>
<tr>
<td>ITALY</td>
<td>1 198 085 024</td>
<td>2004-2010</td>
<td>793 100 600</td>
<td>180 375 000</td>
<td>186 890 600</td>
<td>202 492 212</td>
<td>202 492 210</td>
<td>-</td>
<td>0.0100%</td>
</tr>
<tr>
<td>JAPAN</td>
<td>1 406 119 676</td>
<td>2002-2008, 2009</td>
<td>1 406 119 676</td>
<td>186 006 798</td>
<td>183 844 974</td>
<td>-</td>
<td>-</td>
<td>560 000 000</td>
<td>0.0042%</td>
</tr>
<tr>
<td>RUSSIA</td>
<td>254 500 000</td>
<td>2002-2010</td>
<td>118 239 936</td>
<td>85 739 936</td>
<td>2 500 000</td>
<td>-</td>
<td>-</td>
<td>136 260 064</td>
<td>0.0041%</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>2 641 875 588</td>
<td>2001-2015</td>
<td>669 665 678</td>
<td>202 518 000</td>
<td>216 962 525</td>
<td>216 962 525</td>
<td>276 134 122</td>
<td>1 262 327 416</td>
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<tr>
<td>UNITED STATES</td>
<td>4 072 910 634</td>
<td>2001-2008</td>
<td>2 539 614 487</td>
<td>724 000 000</td>
<td>840 304 000</td>
<td>500 000 000</td>
<td>-</td>
<td>-</td>
<td>0.0052%</td>
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<tr>
<td>EUROPEAN COMMISSION</td>
<td>1 256 141 682</td>
<td>2001-2010</td>
<td>729 661 931</td>
<td>150 304 301</td>
<td>155 763 240</td>
<td>155 763 240</td>
<td>155 763 240</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

† The Global Fund to Fight AIDS, Tuberculosis and Malaria identifies the European Union contribution as that of the European Commission.

†† The percentage of GDP, is measured using the 2007 GDP for the member states; source: CIA World Factbook.

* Canada’s 2007 pledge was contributed to the GFATM in 2006.

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Canada: +1

Canada has fully complied with its commitment to replenish the GFATM.


Thus, Canada has been awarded a score of +1 for its comprehensive funding of the GFATM and its international initiatives and partnerships.

Analyst: Soomee Kim

France: +1

France has fully complied with its commitment to replenish the Global Fund to fight AIDS, Tuberculosis and Malaria.


The Global Fund Observer indicates that this amount corresponds to 0.058% of the country’s...
GNI, which meets the French share under the Equitable Contribution Framework.\textsuperscript{1424} The French contribution for the 2008-2010 funding period represents an increase of 33% over its €675 million contribution for 2005-2007. This reaffirms France as the leading European contributor to the Global Fund and the second largest contributor worldwide, after the United States.\textsuperscript{1425} Overall, France currently provides over 10% of the budget of the Global Fund.

Moreover, France has shown concern for better co-ordination between multilateral aid and its various stakeholders, including the Global Fund, UNITAID, and GAVI, and has been actively cooperating with other states and organizations.\textsuperscript{1426} In terms of addressing long term funding solutions, France remains attentive to the effectiveness of aid implementation and the strict application of the rules for good management of the fund.\textsuperscript{1427}

Thus, France was awarded the score of +1 because of its strong financial contribution to the GFATM and its active cooperation with other states and organizations.

\textit{Analyst: Netila Demneri}

\textbf{Germany: +1}

Germany has fully complied with its commitment to replenish the Global Fund to Fight AIDS, Tuberculosis, and Malaria and remains one of the largest donors to the Global Fund.

In order to reach the G8 funding target of US$6-8 billion by 2010, the German government invited international public and private donors to Berlin to participate in the Second Meeting of the Global Fund’s Second Voluntary Replenishment, held between 26 and 28 September 2007.\textsuperscript{1428} In an effort to address long-term funding solutions, Chancellor Angela Merkel commenced the meeting with the launch of the Debt2Health initiative. The aim of this pilot project is to demonstrate that debt relief can help fight AIDS, tuberculosis and malaria. The debt conversion mechanism allows a creditor or group of creditors to cancel a portion of a country’s debt on the condition that the beneficiary invests a previously-agreed amount towards a Global Fund-approved program.\textsuperscript{1429}

Federal Minister for Economic Cooperation and Development Heidemarie Wieczorek-Zeul signed a debt relief agreement with Indonesia on 26 September 2007. Under the terms of this agreement, Germany promised to write off more than €50 million of debt owed by Indonesia, provided that Indonesia contributed €25 million to run domestic Global Fund health programs.\textsuperscript{1430}

Furthermore, Germany pledged €600 million in funding, provided in annual installments of US$291.545 190 (approximately €200 million)\textsuperscript{1431}, to be donated to the Global Fund between 2008 and 2010.\textsuperscript{1432}
According to AIDSPAN, this is equivalent to a pledge of 0.03% of German GNI. By 2015, €4 billion of the €60 billion pledged at the Heiligendamm Conference by the G8 will be provided by Germany. German Chancellor Angela Merkel has actively encouraged the business community to participate in the fight against AIDS, tuberculosis and malaria. On 27 September 2007, Chancellor Merkel lauded the success of the Global Fund thus far and called for “a significant boost in the efficiency of cooperation in the health sector.” She has noted that the efforts of the Global Fund must be closely coordinated with bilateral and multilateral programs and has promised that she will work to enlist the support of German industry.

Germany participated in the Global Fund’s Sixteenth Board Meeting, which took place in Kunming, China on 12-13 November 2007, and the Seventeenth Board Meeting, held in Geneva, Switzerland on 28-29 April 2008. At the Seventeenth Board Meeting, the Board recognized some of the early successes in securing resources through the Debt2Health initiative and, while the Board awaits specific data on aspects of the program, it supports exploration of additional opportunities.

Thus, Germany was awarded a score of +1 for its contributions to the Global Fund and its active promotion of widespread participation in GFATM programs through encouragement of other states and non-state actors.

**Analyst: Delia Maria Ionescu**

**Italy:** 0

Italy has partially complied with its commitment to replenish the Global Fund to fight AIDS, Tuberculosis and Malaria.

On 20 December 2007, the Global Fund Trustee announced that Italy had made an early payment of €130 million for 2008. The Global Fund Trustee announced that this followed the approval by the Italian Parliament of a decree of urgent financial measures attached to the country’s 2008 budget. Since the publication of the Interim Report, the Global Fund has released figures demonstrating that Italy has contributed, in full, its 2007 pledge of €180 375 000 and its 2008 pledge of €186 890 600. This brings Italy’s total contribution to date to €793 100 600 of a pledged €850 million for the 2004-2010 funding period. Additionally, the Global Fund reports that Italy has pledged €202 492 212 for 2009 and €202 492 212 for 2010. According to AIDSPAN, the partial contributions and pledges for 2008-2010 constitute 0.032% of Italian GNI.

1436 Germany: 0
1437 This brings Italy’s total contribution to date to €793 100 600 of a pledged €850 million for the 2004-2010 funding period. Additionally, the Global Fund reports that Italy has pledged €202 492 212 for 2009 and €202 492 212 for 2010. According to AIDSPAN, the partial contributions and pledges for 2008-2010 constitute 0.032% of Italian GNI.
Although Italy has fulfilled its financial commitment towards the replenishment of the Global Fund, it has failed to establish the requisite relationships with multilateral organizations and non-state actors. Namely, Italy did not join the Debt2Health initiative following the Second Voluntary Replenishment meeting, nor has it actively worked with other donors to find long-term funding solutions.

Thus, Italy has been awarded a score of 0.

**Analyst: Netila Demneri**

**Japan: +1**

Japan has fully complied with its commitment to replenish the Global Fund.

On 29 February 2008, Japan contributed US$184 million to the Global Fund.\(^{1445}\) A press release by the Japanese Ministry of Foreign Affairs noted that “the contribution to the Global Fund…represents Japan’s firm commitment to the fight against the killer diseases. It also reflects the importance attached by Japan to the Global Fund which plays a pivotal role on the fight against infectious diseases.”\(^{1446}\) With this contribution, Japan has accomplished its disbursement of US$500 million to the Global Fund, pledged by former Prime Minister Junichiro Koizumi in June 2005.\(^{1447}\)

On 23 May 2008, Prime Minister Yasuo Fukuda announced a new contribution of US$560 million for period 2009 onwards.\(^{1448}\) This contribution brings Japan’s total contribution to the Global Fund to nearly US$1.5 billion.\(^{1449}\) Japan is now the third largest donor to the Global Fund.\(^{1450}\) The announcement was made in Tokyo at an International Symposium jointly organized by the Global Fund, Friends of the Global Fund Japan and the Japanese Ministry of Foreign Affairs, with the theme “From Okinawa to Tokyo: Dealing with Communicable Diseases as Global Human Security Threats.”\(^{1451}\) It is not yet clear how this contribution will

Dr. Michel Kazatchkine, Executive Director of the Global Fund to fight AIDS, Tuberculosis and Malaria, visited Japan on 25-27 July 2007 and engaged in discussions with high-level officials at the Ministry of Foreign Affairs and the Ministry of Health, Labour, and Welfare.\(^{1452}\) He also exchanged views with persons from concerned economic circles, international organizations and NGOs in an effort to further awareness of the Global Fund within Japan.\(^{1453}\) Despite Dr. Kazatchkine’s visit, Japan has made a negligible effort in

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engaging in burden sharing initiatives with other states or engaging in discussions with other states and non-state actors on long-term funding solutions.

Thus, Japan has been awarded a score of +1 for its pledge of funding for future years and its efforts to bring about a consensus on long-term funding strategies among donor nations.

Analysts: Christopher VanBerkum and Dasha Frolova

**Russia: 0**

Russia has partially fulfilled its commitment to replenish the Global Fund through 2008-2010.

The Global Fund has recorded a complete contribution of funds pledged by Russia for 2007 and 2008, amounting to US$85 739 936 and US$2 500 000 respectively. Although Russia has not specifically pledged funds for either 2009 or 2010, the yearly allocation of a Russian pledge of US$136 260 064 for 2008-2010 will be according to the schedule to be agreed with the Global Fund Secretariat.

On 19 October 2007, Russia signed an agreement with the World Bank Group and the World Health Organization to provide US$20 million for malaria control in Africa. This contribution, which is outside of the Global Fund, marks Russia’s growing role as a donor and active partner in international development.

Beginning on 2 May 2008, Russia hosted the second Eastern Europe and Central Asia AIDS Conference. For three days, conference participants reviewed regional achievements, shared results and focused on addressing the challenge of reducing the growing impact of the AIDS epidemic on the region. Civil society organizations have played a critical role throughout the region in reaching those most affected by AIDS and governments have also increased their support. For 2006-2008, the Russian Federation provided US$24 million to civil society organizations working with HIV in addition to more than US$800 million directed to other prevention, treatment and care programs. Russia has also established a governmental commission on HIV/AIDS made up of representatives of the civil society and individuals living with the disease.

Russia, the only member of the G8 that receives grants from the GFATM, will no longer qualify for Global Fund grants as its status shifts to an upper income country. Michel Kazatchkine, Executive Director of the Global Fund to Fight AIDS, Tuberculosis and Malaria said that “Russia...set the precedent for potentially extending the Global Fund’s work into loans.” He continued, “[w]ith the Russian example, [the GFATM] may find ways of basically a free loan that would allow these countries to access resources now but also behave as a donor.” Although developed in the context of the second Eastern Europe and Central Asia AIDS Conference, the possibility of using the Global Fund as a source of development loans

has implications for Africa as well. Executive Director Kazatchkine also confirmed that, by 2010, Russia will have refunded 82% of the grants awarded to it through the GFATM. The total value of the refunded grants will be approximately US$217 million. According to AIDSPAN, this refund is equivalent to 0.034% of Russian GNI.

Russia has donated funds to the Global Fund but has not actively participated in discussions on long-term funding with other states and non-state actors. Thus, it has been awarded a score of 0.

Analysts: Igor Churkin and Christopher VanBerkum

**United Kingdom: +1**

The United Kingdom has fully complied with its commitment to replenish the Global Fund to fight AIDS, Tuberculosis and Malaria.

On 25 September 2007, Secretary of State for International Development Douglas Alexander announced a commitment to contribute GBP1 billion by 2015 to the Global Fund prior to British participation at the Second Replenishment Meeting of the Global Fund in Berlin. As part of this commitment, the United Kingdom will contribute GBP360 million for 2008-2010, a 20% increase from current funding levels. AIDSPAN reports that this corresponds to a pledge of 0.032% of the United Kingdom’s GDP. Secretary Alexander noted that “By keeping our G8 promises, we will be the second largest donor of development assistance in the G8 by 2010.” Addressing the need for long-term funding solutions, he continued, “The [Global] Fund will need to become more efficient and speed up the way in which resources are put to work for the benefit of poor people.”

The United Kingdom is working with several partners to develop permanent vaccines against pandemic diseases, through the support of innovative financing mechanisms such as the International Finance Facility for Immunization (IFFI). The IFFI aims to raise US$4 billion over ten years to tackle vaccine-preventable diseases. Additionally, the United Kingdom has made a commitment to UNITAID, which, subject to UNITAID’s performance, will amount to some GBP790 million over twenty years. As a member of the UNITAID Board, the United Kingdom has approved contributions to Global Fund programs totaling US$144 million.

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Similarly, the International Health Partnership (IHP) was launched in London on 5 September 2007 with the support of British Prime Minister Gordon Brown. The IHP commits donors and international agencies, including the Global Fund, to better coordinate support for national health plans in poor countries.

Moreover, on 9 April 2008 Gordon Brown announced that Great Britain would spend GBP100 million to support the Roll Back Malaria Partnership by purchasing more mosquito nets and underwriting the malaria vaccine. The Prime Minister urged action and support from “governments, business and everyone else who wants to end this killer disease.” In addition to the Global Fund, the United Kingdom provides support to confront HIV/AIDS, tuberculosis and malaria through UN agencies, the World Bank, civil society groups and directly to poor governments.

Thus, the United Kingdom has been awarded a score of +1 for its comprehensive funding of the GFATM and its other initiatives to elicit other state and non-state donors to fund GFATM programs.

Analyst: Soomee Kim

United States: +1

The United States has fully complied with its commitment to replenish the Global Fund to fight AIDS, Tuberculosis and Malaria.

The United States has only contributed US$531,007,853 of its pledge of US$724,000,000 for the 2007 funding period, leaving US$192,992,147 in outstanding contributions. The American contribution for 2007, the largest single allocation ever made to the GFATM, was announced on 26 September 2007 by the President’s Emergency Plan for AIDS Relief (PEPFAR). Ambassador Mark Dybul, the Coordinator of PEPFAR, noted that “the contributions are an essential aspect of the partnerships with the people of the world to combat the three, linked pandemics of HIV/AIDS, tuberculosis and malaria. [The United States] must continue to combat these pandemics with innovative private-public partnerships that support local leadership in building a sustainable response.” The United States has pledged an additional US$840,000 for the 2008 funding period and US$500,000,000 for 2009, although no contributions have been registered to date. No funds have been pledged for 2010.

The United States still remains the largest contributor to the Global Fund in 2007, with its contributions accounting for 23.38% of all contributions made by donor countries in 2007. When measured against the size of the national economy, however, the United States falls well below its proposed share under the Equitable Contribution Framework of 0.035% of its gross domestic product.

On 25 September 2007, President George W. Bush addressed the United Nations Assembly with a call for action to work towards the standards of the Universal Declaration of Human Rights with a brief mention of the Global Fund. President Bush, however, did not actively call for a long term funding solution to the Global Fund, instead focusing on the recent actions of the President’s Emergency Plan for AIDS Relief.

Members of the G8, including the United States, met in Berlin for the Second Meeting of the Global Fund’s Second Voluntary Replenishment on 27 September 2007 to discuss future financial commitments to the Global Fund. The United States has committed only to maintaining its annual contribution level.

Thus, the United States has been awarded a score of +1 for its GFATM allocations and its participation in discussions on long-term funding, albeit without result.

**Analyst: Jasmeet Sidhu**

**European Union: 0**

The European Union has partially complied with its commitment to replenish the Global Fund to fight AIDS, Tuberculosis and Malaria.

The Global Fund reports that the European Commission has pledged €150 304 301 for the 2007 funding period, of which €91 114 270 has actually been contributed. Although no funds have yet been contributed for the 2008-2010 funding period, the European Commission has pledged a contribution of €155 763 240 annually for 2008, 2009, and 2010.

The European Commission participated in the Global Fund’s Sixteenth Board Meeting in Kunming, China between 12-13 November 2007, which saw the expansion of the Global Fund portfolio, and the Seventeenth Board Meeting in Geneva, Switzerland. The EU did not, however, announce new contributions or initiatives at either conference nor did it actively participate in discussions with state or non-state actors regarding long-term funding.

Thus, the EU has been awarded a score of 0 for its incomplete contribution of pledged funds and the lack of diplomacy to encourage state and non-state actors in discussions on long-term funding.

**Analyst: Delia Maria Ionescu**

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