

Global Fund Investment Case

Fifth Replenishment 2017-2019

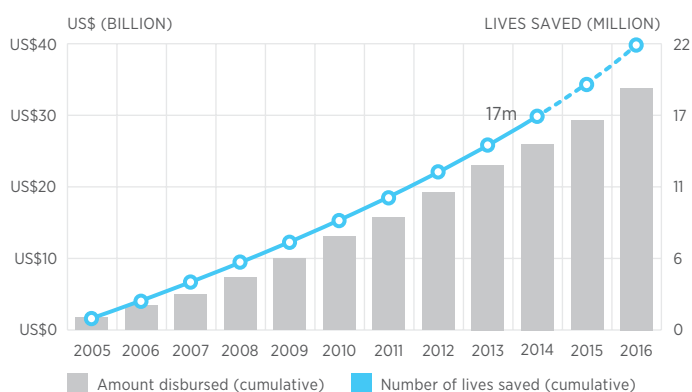
The Right Side of the Tipping Point for AIDS, Tuberculosis and Malaria

The Global Fund partnership, with an innovative 21st-century approach, joins countries that are leading a transformational change in global health by accelerating the end of AIDS, tuberculosis and malaria as epidemics while building resilient and sustainable systems for health. Together, we are challenging barriers to human rights, common dignity and basic equity. As a strong partnership of governments, civil society, technical experts, the private sector and people affected by the diseases, the Global Fund is a mechanism for global solidarity that supports countries to do great things. With financing, implementation and community engagement, all partners contribute to enabling local experts to save the lives of people who would otherwise die and treat people who would otherwise suffer. Working together, we are allowing communities to thrive and creating opportunity and prosperity on a scale that few thought possible 15 years ago.

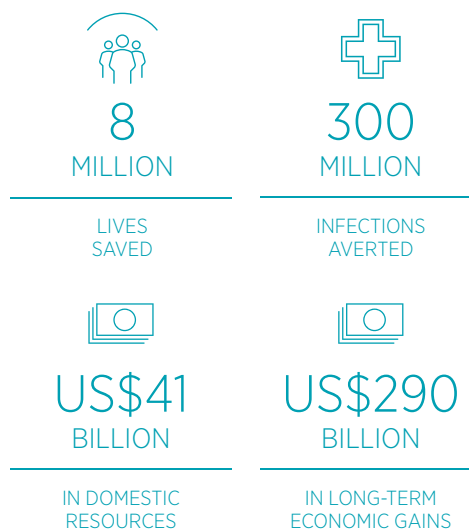
Programs supported by the Global Fund have saved 17 million lives since 2002, when the first disbursements were made. By leveraging advances in science and applying innovative solutions, the partnership is on track to reach 22 million lives saved by the end of 2016, the eve of a new Replenishment period.

Lives Saved

Number of Lives Saved Through Global Fund-Supported Programs



US\$13 Billion for Replenishment will achieve:



The Opportunity

In the three-year period beginning 2017, the global community will have an opportunity to accelerate change and go beyond the significant progress already underway. The Millennium Development Goal target of reversing the spread of HIV, TB and malaria has been met and exceeded in most countries where the Global Fund invests. Deaths from the three diseases are declining, as are new infections, bolstering strong evidence that the partnership model is the most effective way to deliver global health. Innovation engenders the ability to build upon recent advances, many achieved during the current Replenishment cycle of 2014-2016, and enables countries to achieve the target identified in the Sustainable Development Goals: ending the epidemics by 2030.

With all of the breathtaking progress of recent years, we are on the right side of the tipping point to control HIV, TB and malaria. However, we need renewed investments and effective implementation to use those investments more effectively. Without strong investment, that

trajectory could fall off, and there could be an alarming resurgence of the diseases, with potentially huge economic and social costs. The status quo will not allow us to succeed.

Global plans developed to end the AIDS, TB and malaria epidemics by technical partners – WHO, UNAIDS, the Stop TB Partnership and the Roll Back Malaria Partnership - demonstrate that striking gains that have already put us on a positive trajectory can now be “fast-tracked” to significantly reduce new infections and deaths. By providing resources aligned with highest-impact priorities identified in partner plans, we can make greater headway and reach historically low levels of HIV, TB and malaria.

Strategic plans by partners to end the epidemics by 2030 have developed targets that include overall assessments of the costs required to reach them, defined here as the funding needs. Working together, the combined domestic and external funding need for HIV, TB and malaria is estimated at US\$97 billion for the three-year period beginning in 2017, in countries where the Global Fund invests.

Leverage and Innovation

The Global Fund plays a catalytic role in spurring greater investment, which is needed to face many steep but achievable challenges in HIV, TB and malaria. Domestic financing is significantly increasing and already accounts for more than half of funding for HIV, more than three-quarters for TB and around a quarter for malaria. The proportion of investments in health that come from domestic financing is growing each year, as explained below. But external financing remains essential if the world is to seize the opportunity to end the epidemics. The Global Fund’s multilateral approach provides significant leverage to create a large pool of resources that compliments investments made by individual countries. The partnership approach not only grows the resource pool, it allows innovation and value for money. By pooling procurement, the Global Fund saved US\$500 million over two years. By starting an e-Marketplace, we are using innovation together with partners to leapfrog obstacles and improve the effective delivery of health products in the most reliable, cost-effective and transparent way. Working across a portfolio provides important opportunities to identify and share quality improvements for a higher return on investment. Collectively, we are changing the paradigm of how countries think about and invest in global health.

US\$13 Billion for Replenishment

The Global Fund seeks to mobilize US\$13 billion for the Fifth Replenishment. Analysis shows that this level of investment, combined with significant increases in domestic financing, with other external funding remaining steady, and with advances in implementation, would reach 80 percent of the total need projected by partners. To enable implementing countries to deliver a transformative change and achieve the trajectory required to achieve the 2030 global plan targets, this level of investment can galvanize the collective effort of all partners to maximize and optimize implementation

with the highest-impact interventions. Every step closer to – or above and beyond – the overall US\$97 billion funding need can accelerate progress even faster. We can achieve more with more.

Overall, a US\$13 billion contribution for the Fifth Replenishment would:

- Save up to 8 million lives through programs supported by the Global Fund, leading to 30-32 million lives saved cumulatively by 2020;
- Avert up to 300 million new infections across the three diseases;
- Allow the Global Fund to make substantial contributions towards building resilient and sustainable systems for health;
- Support partners in domestic investment of US\$41 billion toward the three diseases;
- Support strengthened responses for women and girls, key populations and human rights;
- Lead to broad economic gains of up to US\$290 billion over the coming years and decades, based on partner estimates.

Projected economic gains of US\$290 billion are based on estimates by partners on the return on investment for implementing each of the global plans. These estimates assess the economic value of better health and a more productive society by trying to capture productivity and consumption gains, including through household savings, and calculating that each person who goes on lifesaving treatment is a potential contributor to the economic health of a community. The totals – broad estimates, not scientific projections – come from applying collective estimates from each of the partner plans. Overall, they estimate that every dollar invested brings a high return: 17:1 for HIV, 27:1 for TB, and 28 to 40:1 for malaria.

For Every US\$100 Million

Every contribution matters. Every partner able to contribute funding must be encouraged to take part in the progress underway and share in the excitement of collective action. Some can achieve greater impact by leveraging matching funds. Others can spur increased commitment, with knock-on benefits in the social and economic health of affected communities. Every contribution can make a difference, and we have performed calculations to determine what every contribution of US\$100 million can achieve in global health and related sectors.

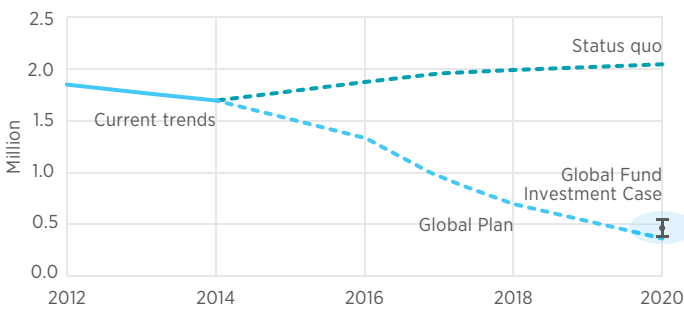
Every US\$100 million contribution to the Global Fund would:

- Save up to 60,000 lives through programs supported by the Global Fund;
- Avert up to 2.3 million new infections across the three diseases;
- Support partners in domestic investment of US\$300 million toward the three diseases;
- Spur US\$2.2 billion in long-term economic gains.

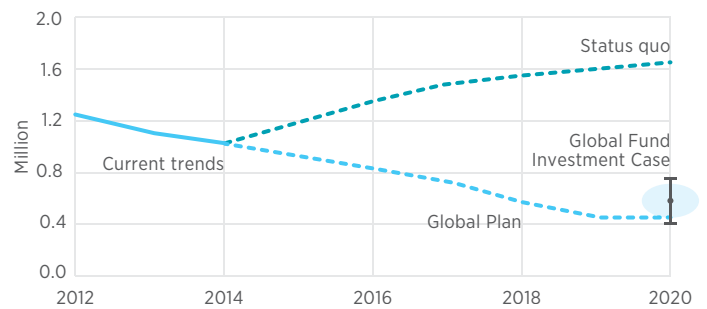
Numbers of New Infections/Cases and Deaths, by Disease

Each graph shows current trends, projections for acceleration in global plans, and projections if current levels of investment are maintained. The levels identified as the Global Fund Investment Case, drawn here as a circle with a range for outcomes, indicate what can be achieved by 2020 through a successful Replenishment and other key factors.

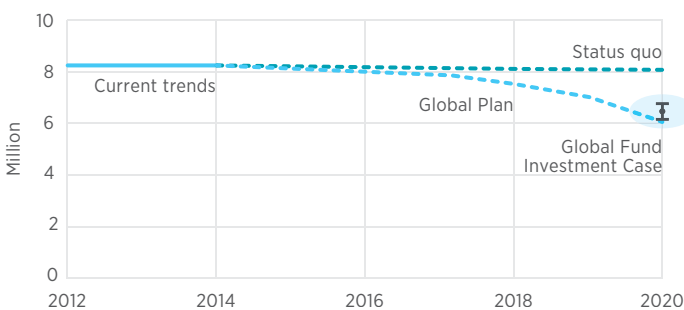
New HIV Infections



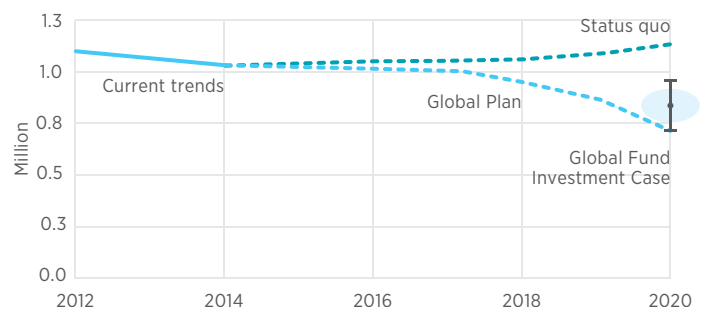
AIDS-Related Deaths



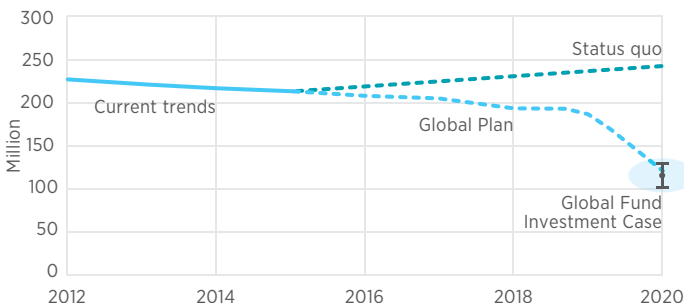
Tuberculosis Cases



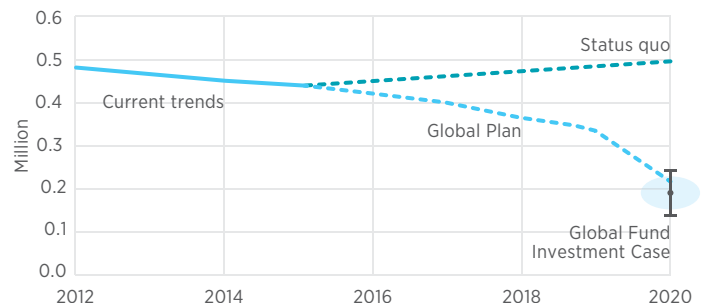
Tuberculosis Deaths (Excluding HIV-Positive)



Malaria Cases



Malaria Deaths



Transition and Domestic Financing

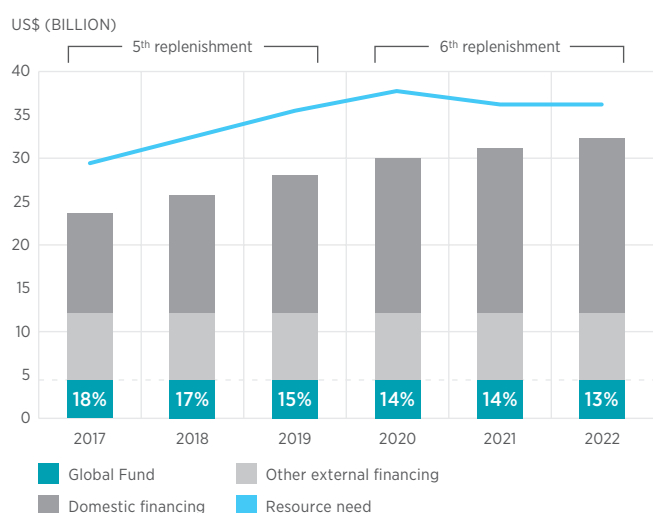
Recognizing that all countries live along a development continuum, from challenging operating environments to self-sufficient states with more equal opportunity for their citizens, we are learning to better support countries as they transition from one stage to the next. Transitions are not only the final stage of moving beyond external financing; they happen all along the way. An increasing number of countries are already preparing to transition from low-income to middle-income status.

Effectively stimulating domestic investments in health is an essential component of moving toward transition and sustainability. During the Global Fund's 2014-2016 Replenishment cycle, aggressive assumptions were made about increased domestic finance – projecting an average annual rate of 11 percent. Countries have

stepped up and made those commitments. Through a collective effort by the partnership, domestic financing commitments are up by **US\$5.9 billion**, spurred in part by co-financing requirements by the Global Fund. With increasing amounts in domestic financing for the three-year period covered by the next Replenishment, domestic investment in programs related to HIV, TB and malaria is projected to reach US\$41 billion, or more than three times as much investment as comes through the Global Fund.

Overall, the projection is that financing provided by the Global Fund has put the global community on the right side of the tipping point, and that the Global Fund's percentage of the total resources allocated to the three diseases will decline beginning in the Fifth Replenishment. The figure below demonstrates that overall resources *invested* in programs related to HIV, TB and malaria will continue to grow, even as the total resource *needs* are expected to peak in 2020, and then begin to decline.

Overall Projected Investments in Programs for HIV, Tuberculosis and Malaria, 2017-2022



Building Resilient and Sustainable Systems for Health

Ending HIV, TB and malaria as epidemics can only be achieved with stronger systems for health. Investments in the treatment and prevention of HIV, TB, and malaria improve countries' overall health systems while promoting community responses in national decision-making. This mutually reinforcing relationship between funding disease control and overall system improvement typifies Global Fund investments. A full **40 percent** of Global Fund investments go toward improving systems for health, and the amount committed to cross-cutting issues has doubled in recent years. Investments in HIV, TB, malaria, and strengthening health systems have a powerful multiplier effect, not only on people's overall health status but also on countries as a whole, and are a powerful component of efforts to implement quality care through **Universal Health Coverage** in many countries. It is important, however, to understand that a health system encompasses more than just the clinical setting, but also reaches deep into the community. Community systems provide key prevention and behavioral programs, contribute to treatment and service delivery, and should be empowered to reach even more vulnerable and marginalized people – so no one is left behind.

December 2015
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Investing in Gender Equality, Key Populations and Human Rights

The Global Fund partnership has been an important investor in improving the health of women and girls and serving key populations, and is increasingly investing in human rights programs. The Global Fund was among the earliest and strongest advocates for addressing gender inequality, with 55-60 percent of Global Fund investment benefiting women and girls. Through collective commitment working with multilateral and bilateral programs, the Global Fund continues to strive for more advances to address the fundamental inequality of and discrimination against women and girls, a key driver of HIV infection in many parts of Africa. The marginalized and left behind – the LGBTI community, sex workers, persons who inject drugs, migrants, prisoners and the urban poor – are heavily affected by HIV and tuberculosis. Malaria most threatens children under five and pregnant women.

We have to find innovative solutions to end the epidemics. Investing in programs that increase access to critical HIV prevention and treatment services is not enough; we also have to support programs that seek to change environmental and social factors that put women and girls at increased risk. Blanketing a country with mosquito nets is not enough; we have to take a comprehensive approach to malaria. Diagnosing and treating TB cases in the same way is not enough; we have to dramatically expand outreach.

In middle-income countries, the Global Fund is refocusing investments from commodities and disease-specific services so that they can increasingly flow to human rights and civil society programs, addressing the needs of key populations. Collectively, the Global Fund is making progress in increasing investment in the programs that reduce human rights barriers to access.

A person-centered approach, recognizing that the fabric of humanity is made of diverse yet interconnected threads, has to guide our collective work. When our collective efforts can help create a critical mass of healthy, educated and financially independent women who make well-informed decisions about their lives, we know we are on the right track.