Opinion

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Funding a Global Health Fund

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The fund that fights killer diseases such as TB and Aids needs to build on its success, but it is facing a fiscal crisis

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orld leaders will come together at the United Nations in September in order to accelerate progress towards the Millennium Development Goals (MDGs). Three of the

We eight MDGs involve bringing primary health services to the entire world's population. A small amount of global funding, if well directed, could save millions of lives each year. The key step is to expand the Global Fund to Fight Aids, Tuberculosis, and Malaria into a Global Health Fund.

The Global Fund was created in 2002 to help the world battle three killer diseases, and its accomplishments have been spectacular, making it arguably the most successful innovation in foreign assistance of the past decade. As a result of Global Fund programmes, an estimated 2.5 million people are on antiretroviral Aids therapy. No fewer than 8 million people have been cured of TB. And more than 100 million long-lasting insecticide-treated bed nets have been distributed in the fight against malaria. In total, studies suggest that Global Fund programmes have saved 5 million lives.

The Global Fund's remarkable successes result from its operational procedures. Disease-specific committees, called the Country Co-ordination Mechanism (CCM), are constituted in each developing country. Each CCM is chaired by the national government, but incorporates input from non-government organisations to formulate national-scale, disease-specific plans for submission to the Global Fund.

Once the Global Fund receives these plans, they are sent to a Technical Review Panel (TRP) to check that the plans are scientifically sound and feasible. If the TRP approves, the plan is sent to the board of the Global Fund, which then votes to approve financing. Once the programme gets underway, the Global Fund follows its implementation, undertaking audits, monitoring, and evaluation. Since 2002, the Global Fund has approved around $19bn in total funding.

There are two huge challenges now facing the Global Fund, and especially the donor countries that support it. The first is lack of financing. The Global Fund has been so successful that countries are submitting increasingly ambitious programmes for consideration.

Unfortunately, the Global Fund is already in a state of fiscal crisis. It needs around $6bn per year in the next three years to cover expansion of programmes for the three diseases, but it has only around $3bn per year from donor countries. Unless this is corrected, millions of people will die unnecessarily.

The second challenge is to broaden the Global Fund's mandate. So far, the Global Fund has addressed MDG 6, which is focused on the control of specific killer diseases. Yet control of these three diseases inevitably involves improvement of basic health

services - community health workers, local clinics, referral hospitals, emergency transport, drug logistics - that play a fundamental role in achieving MDG 4 (reduction of child mortality) and MDG 5 (reduction of maternal mortality). All three health MDGs are interconnected; all are feasible with an appropriate scaling up of primary health services.

The obvious step to address MDGs 4 and 5 is to explicitly expand the Global Fund's financing mandate. Many programmes, such as those in the Millennium Villages project, already show that a scaling up of primary health systems at the village level can play a decisive role in reducing child and maternal mortality. Expanding the Global Fund's mandate to include financing for training and deployment of community health workers, construction and operation of local health facilities, and other components of primary health systems could ensure the development of these local systems.

Many countries - including France, Japan, Norway, the United Kingdom, and the United States - have recently recognised the need to move beyond the financing of control of Aids, TB, and malaria to financing improvements in primary health systems more generally. But they seem to view the issue of health-system financing as an either/or choice: scale up control of Aids, TB, and malaria, or scale up financing of primary health systems. The truth, of course, is that both are needed, and both are affordable.

The annual cost of specific disease control in the next three years is perhaps $6bn, and another $6bn per year for health-system expansion. The total, $12bn per year for an expanded Global Fund, might seem unrealistically large compared to the $3bn spent now. But total annual funding of $12 billion is really very modest, representing around 0.033% (three cents per $100) of the donor countries' GNP. This is a tiny sum, which could be easily mobilised if donor countries were serious.

Barack Obama has been outspoken in support of scaling up primary health services, yet the specific budget proposals from his administration are not yet satisfactory. The worst of it is that the Obama administration's budget for the 2011 provides just $1bn per year to the Global Fund. This small sum is unworthy of US leadership.

If the US would expand its annual support to the Global Fund to around $4bn per year, it would likely induce the rest of the world's donors to put in $8bn per year, keeping the US share at around one-third of total funding. To raise these extra amounts, the Obama administration could levy an excess-profit tax on Wall Street to make up the budget gap. Wall Street bankers, whose poor performance did so much damage to the

world economy in recent years, and who still are reaping excessive bonuses, would also begin to make amends by seeing their new tax payments contribute to saving the lives of millions in the coming years.