

Approach to Demand Forecasting

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Context

- 2014-2016 replenishment period is critical to sustain gains, and drive progress towards MDGs
- GF/B26/DP6 requests Secretariat to work with countries and partners to develop estimates of demand for programs to aid replenishment.
- Estimates based on on-going work led by technical partners and countries
- Updated demand estimates for fourth replenishment are also timely for the Global Fund as an input to:
 - new funding model processes
 - Resourcing considerations for Implementation of Global Fund Strategy 2012-2016

Principles

- **Terminology:** Global resource needs versus Global Fund request
- Scope covers programs for the three diseases and related health and community systems
- Similar principles for demand forecasting methodology across the three diseases:
 - ambitious but realistic target assumptions
 - domestic and external financing factored in, including projected growth
 - updated country level data to cover full replenishment period
- Work started with partners to ensure that by March 2013 estimates will benefit from:
 - Improved projection of domestic resources and ability to pay
 - Improved capture of external financing
 - Review of country targets and gaps as recommended by partners
 - Further work on methods to capture cross-cutting areas

HIV/AIDS

- Existing global resource needs estimates build on global costing exercises since 2001 and the 2011 Investment Framework calculations (UNAIDS)
- Widely used and explicitly reflected in the declaration of the UN High Level Meeting (July 2011)
- Applies established epidemic projections and resource need models with input from country workshops
- Estimates reflect resources needed to reach universal access coverage targets (from 2009 baseline) according to latest guidance from technical partners
- Working assumptions on ability to pay, taking into account current health budgets, economic growth, health financing commitments, and relative diseases burden share
- By March 2013 work with partners and countries to develop estimate of GF request considering:
 - domestic financing assumptions
 - external financing assumptions
 - updates on target setting assumptions and country service gaps

Tuberculosis

- Existing estimates of total need and gaps are based on Global Plan targets for 2011 to 2015
- Global targets reflect ambitious scale-up of MDR-TB treatment
- By March 2013, work with partners and countries to develop:
 - Estimates for 2016 resource needs
 - Realistic domestic financing expectations in the context of national needs and gaps in selected countries
 - Improved external financing estimates for TB overall and in selected countries
 - Resource needs forecasts incorporating scale-up of new diagnostics and drugs

Malaria

- Existing estimates of total demand is based on global and regional resource requirements to achieve RBM targets for 2015
- Domestic funding estimated based on World Malaria Report
- External funding estimated from formal commitments, pledges or information on financing trends
- Financial and programmatic gap analysis completed for 32 countries in Africa to 2015 (covers 90% of high burden malaria countries worldwide) and Mekong region
- By March 2013, work with partners and countries to:
 - Project estimates to include 2016 resource needs
 - Review gap and target setting for selected countries
 - Conduct desk review of resource needs for countries not included in gap analysis

Next Steps

- Continued work with partners and countries
- First Meeting of Fourth Replenishment (March 2013)
 - Global demand estimates for the three diseases
 - Realistic funding scenarios for Global Fund request with projections for coverage and impact
- Demand estimates will inform:
 - roll out of new funding model
 - the notional global resource distribution by disease