

Report of the Executive Director

2008: An exciting year for the Global Fund

- Impressive results and increasing evidence for impact
- Learning from experience through the Five Year Evaluation
- Simplifying grant architecture and processes
- Consolidating partnerships
- Introducing a new structure and management team for the Secretariat
- Continuing to innovate: Round 8 (gender, health and community systems strengthening, dual track financing), AMFm

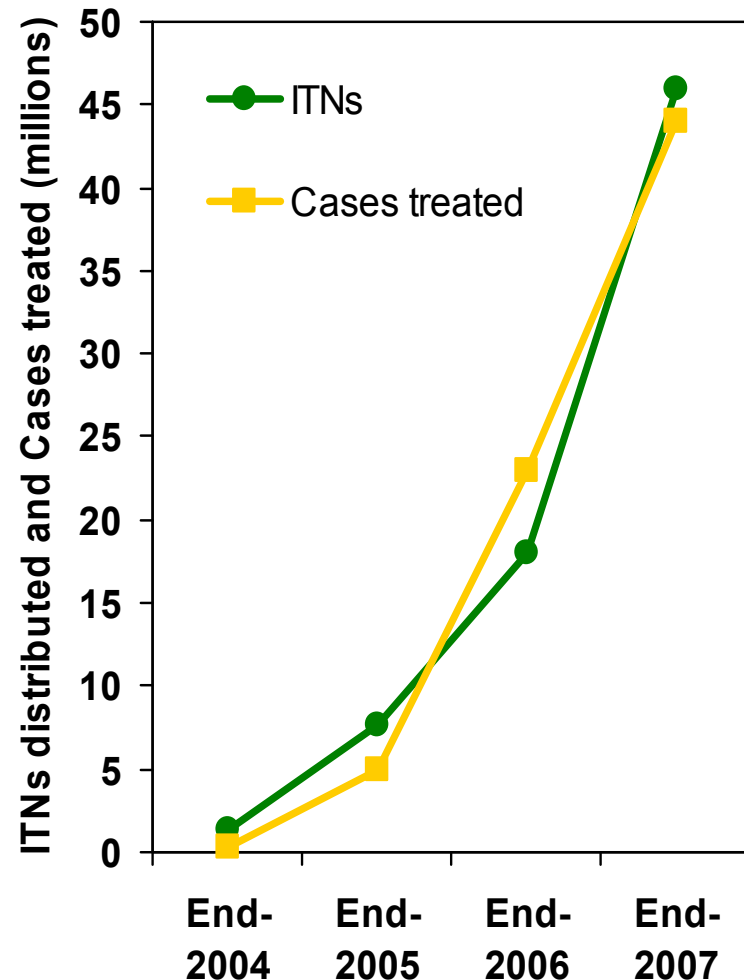
Results: December 2007

Indicator	Dec 2006	Mid 2007	Dec 2007	% increase in last year
HIV: People on ART	770,000	1.1 million	1.4 million	88%
TB: DOTS treatment	2 million	2.8 million	3.3 million	65%
Malaria: ITNs distributed	18 million	30 million	46 million	155%

Malaria: scaling up prevention and treatment

- In 2002, only **5 million** ITNs were distributed globally
- 2003-2007, Global Fund-supported programs distributed **46 million** ITNs
- The Global Fund has provided two-thirds of international financing for malaria, committing **US\$ 3.7 billion**

Results are achieved by countries with the support RBM, WHO, UNICEF, PMI, World Bank and bilateral donors



Malaria: evidence for impact

Country	Evidence	Interventions
Rwanda	64% decline in child malaria cases 66% decline in child malaria deaths (Facility data, 2005-2007)	2.4 million ITNs distributed National ACT roll-out
Zanzibar	50% decline under 5 mortality in some districts 86% decline in malaria cases in Zanzibar	National ACT roll-out Universal coverage ITNs/Spraying
Burundi	45% decline in malaria incidence (2000-2005)	National ACT roll-out (first countries) 1 million ITNs distributed
Eritrea	71% decline in malaria deaths (2000-2006) 91% decline in out-patient malaria cases (2000-2006)	ITN coverage increased to 60% Introduced ACT treatment in 2007
Kenya	61% decline in malaria in children (coastal districts, 1999-2006)	ITNs (mass distribution) and ACTs
Mozambique Swaziland South Africa	87-96% reduction in malaria incidence 82-87% reduction in malaria mortality 53-94% reduction in malaria parasite prevalence	5 million people protected by IRS Universal coverage with effective drugs
Ethiopia	54% declines in malaria cases and 48% in malaria deaths. Evaluation of data underway by WHO, also in Zambia	9.4m ITNs (20m in total), ACTs

Portfolio at April 2008

- 572 grants approved with a value of US\$10.7 billion
- 136 countries
- US\$ 5.5 billion disbursed

Portfolio: key attributes (Rounds 1-7)

- 60 percent per cent of Global Fund resources committed to AIDS; 14 per cent to TB; 25 per cent to malaria
- The Global Fund provides over 2/3 of international financing for TB and malaria. It accounted for 22 per cent of the total international commitment to AIDS in 2006
- Just under 60 per cent of total funds committed to grants in sub-Saharan Africa
- The Global Fund continues to overwhelmingly support programs in the poorest countries (LIC and LMIC 93%)
- The proportion of government and non-government implementers (principal and sub-recipients) is 50/50

Funds disbursed by year

	2002	2003	2004	2005	2006	2007	Total
Disbursed (\$ million)	100	231	628	1,053	1,321	1,727	4,961
Result vs KPI			101%	96%	88%	102%	96%

Grant signing

Period	Round 5 (average)	Round 6 (average)
Time between approval and signature	262 days	273 days
Time between signature and 1 st disbursement	62 days	54 days
Time between approval and 1 st disbursement	324 days	327 days

- Time needed to meet numerous conditions before 1st disbursement increases with complexity of grant
- Team-centred approach to grant signing, together with consolidation of partnerships at country level, will help shorten the timeframe

Rolling Continuation Channel

RCC Waves 1- 3 by disease component

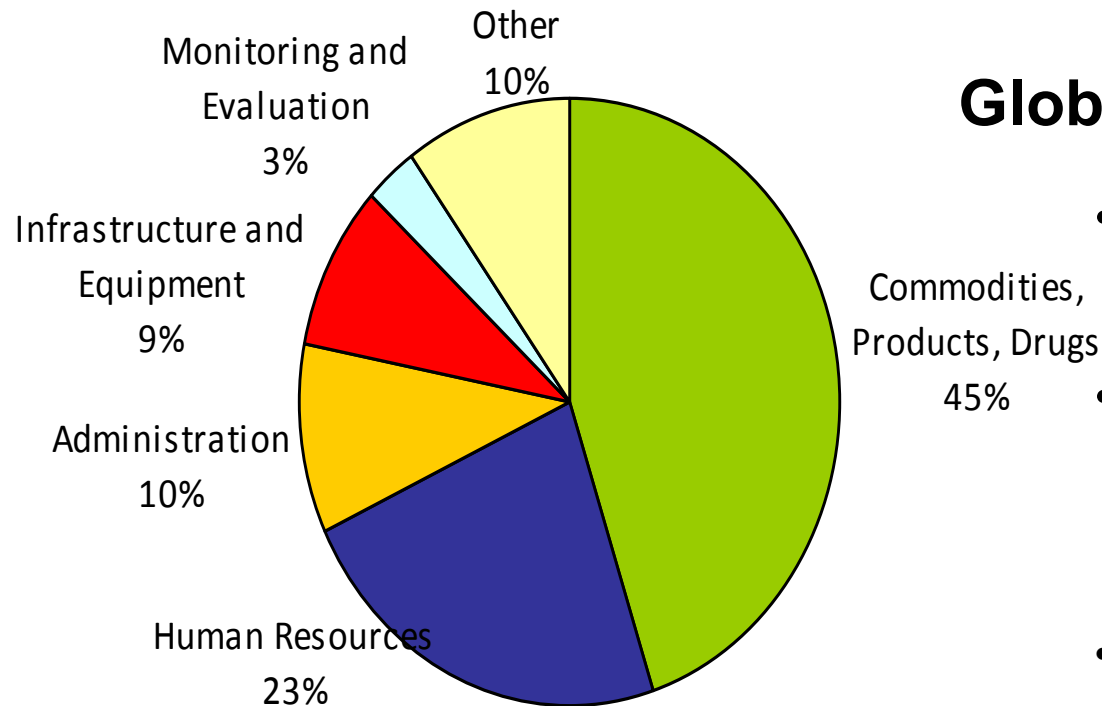
Component breakdown	Number qualified	Number Reviewed Waves 1 and 2	Number Approved (Waves 1 and 2)	Approval rate (Waves 1 and 2)	3 Year Upper ceiling approved (Waves 1 and 2)	Up to 6 years upper ceiling approved* (Waves 1 and 2)
HIV	13	7	4	57%	US\$ 258.1 m	US\$ 527.0 m
TB	7	3	2	66%	US\$ 81.6 m	US\$ 182.3 m
Malaria	15	10	5	50%	US\$ 154.5 m	US\$ 234.4 m
Total	35	20	11	55%	US\$ 494.2 m	US\$ 943.8 m

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Portfolio risk management

- Early Alert Response System
- Additional Safeguard Policy
- Risk Management Framework

Health systems strengthening




Global Fund support for HSS:

- Through disease-specific and cross-cutting funding
- By reducing morbidity and mortality among health workers
- By freeing up health systems to provide other services

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Consolidating partnerships



UNAIDS
JOINT UNITED NATIONS PROGRAMME ON HIV/AIDS

UNHCR
UNICEF
WFP
UNDP
UNFPA

UNODC
ILO
UNESCO
WHO
WORLD BANK



THE GLOBAL FUND
to Fight AIDS, Tuberculosis and Malaria

Memorandum of Understanding

UNAIDS and The Global Fund to Fight AIDS, Tuberculosis and Malaria

UNAIDS, the Joint United Nations Programme on HIV/AIDS, is an innovative joint venture of the United Nations family, bringing together the efforts and resources of ten UN system organizations (UNHCR, UNICEF, WFP, UNDP, UNFPA, UNODC, ILO, UNESCO, WHO and the World Bank) in the AIDS response to help the world prevent new HIV infections, care for people living with HIV, and mitigate the impact of the epidemic. UNAIDS helps mount and support an expanded response to AIDS – one that engages the efforts of many sectors and partners from government and civil society.

The Global Fund to Fight AIDS, Tuberculosis and Malaria ("Global Fund") is a unique global public/private partnership dedicated to attracting and disbursing additional resources to prevent and treat HIV and AIDS, tuberculosis and malaria. This partnership between governments, civil society, the private sector and affected communities represents a new approach to international health financing. The Global Fund is one of the major organizations funding

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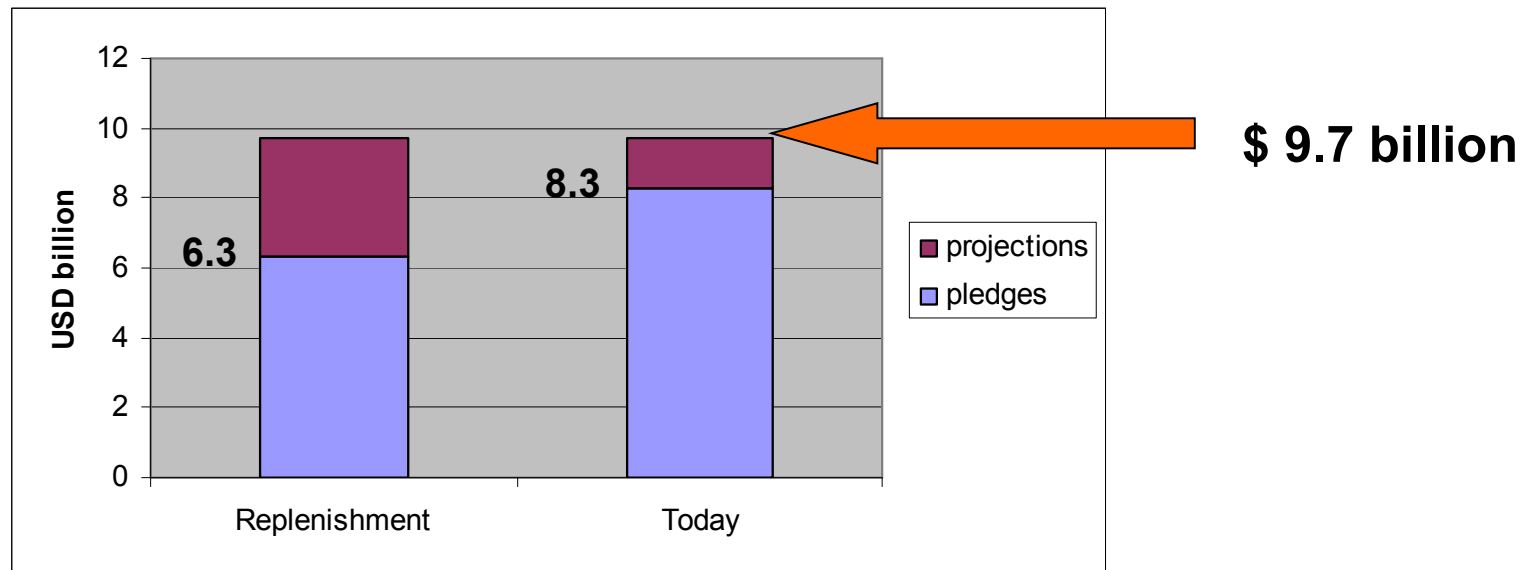


Pledges and contributions: April 2008

Total income

- December 2007: \$17.9 billion
- April 2008: \$19.7 billion

Pledges and Projected Contributions 2008-2010



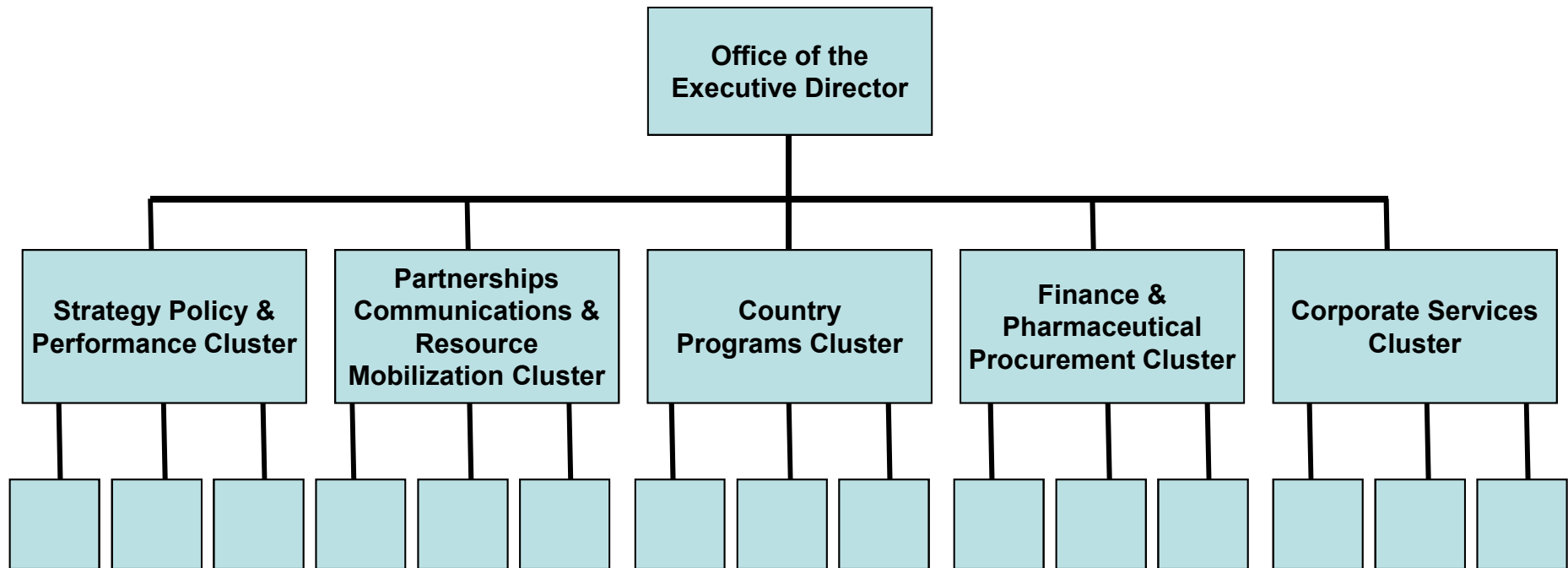
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The Global Fund innovates

- Mobilizing for Round 8
- Affordable Medicines Facility for Malaria (AMFm)
- Roadmap with UNITAID
- Architecture review
- Voluntary Pooled Procurement
- Review of Policy on Quality Assurance of Pharmaceutical Products

New Secretariat structure



Transition to the Global Fund administration

Progress

- Good staff engagement and input
- Proceeding to move out of the UNJSPF; preliminary design of cash balance pension scheme
- Formulating an HR Strategy; principles for compensation structure (one salary structure; fewer grades; broad-banding; building an evaluation culture)
- Establishing Global Fund procedures in relation to entry and work visas, priviledges and imunities
- Leadership and management development training

Transition to Global Fund administration (2)

Need for further work

- Pension scheme design (portability, tax liability, protection from exchange risk, employer guarantee of investment return)
- Taxation impact of Global Fund salaries for staff taxable in a number of countries
- Benchmarking salaries with other organisations
- Establishing a performance-linked remuneration structure and assimilating most current benefits into a new remuneration structure

Transition to Global Fund administration (3)

- **Challenges with systems**
 - Transition to GSM
 - Global Fund's own systems not fully available before Q2 of 2009
- **Delays in contracting consultants**
- **Change Management capacity**
- **Unanticipated complexities**

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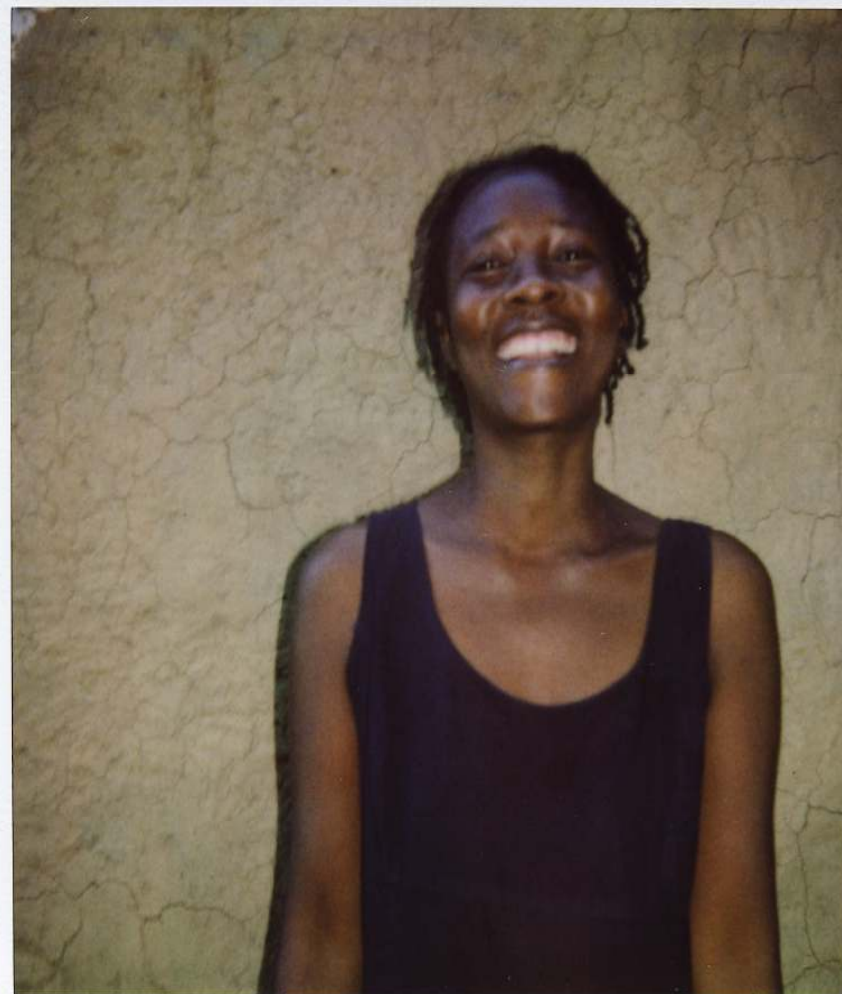




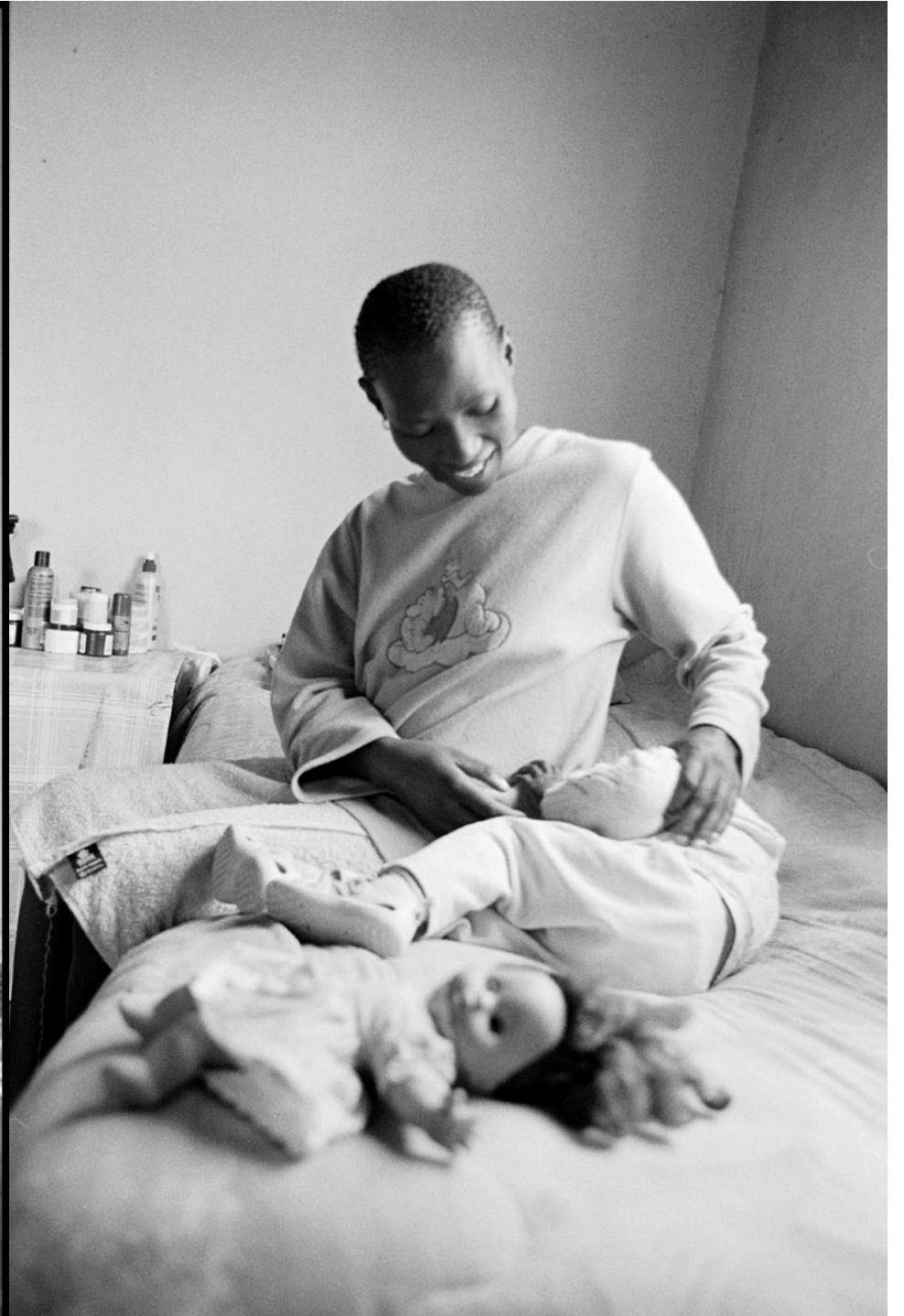




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