



World Chronicle

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GUEST: Kingsley Moghalu
Global Fund to Fight AIDS, Tuberculosis
And Malaria

JOURNALISTS: Somini Sengupta, *The New York Times*
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“ FUNDING THE FIGHT AGAINST GLOBAL EPIDEMICS”

AIDS, tuberculosis and malaria kill more than 6 million people a year. Halting and reversing the spread of these epidemics has become one of the world's most pressing concerns. But how much money is needed for this fight? Who are the recipients, and what criteria are used for disbursing the Funds? How can donors be satisfied that the money is being well spent? In this edition of **World Chronicle**, these questions are explored with the help of Kingsley Chiedu Moghalu of the Global Fund to fight AIDS, Tuberculosis and Malaria

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ANNOUNCER: From the United Nations in New York, an unedited interview programme on global issues. This is **World Chronicle**. And here is the host of today's **World Chronicle**.

LITTLEJOHNS: I am Michael Littlejohns and this is World Chronicle. AIDS, Tuberculosis and Malaria. These three diseases kill more than 6 million people a year. With this in mind UN Secretary-General Kofi Annan called for a dramatic increase in global spending on these epidemics. As a result, the Global Fund to Fight AIDS, Tuberculosis and Malaria was created in 2002. This multilateral Fund – which is not a UN agency – estimates that it needs between 7 and 10 billion dollars a year. So far it has received 4.7 billion dollars in pledges and contributions, much of that for future years. Our guest today is Kingsley Chiedu Moghalu, Head of Resource Mobilization and Global Partnerships for the Fund. Joining us in the studio are Somini Sengupta, of the New York Times, and Philippe Bolopion of Radio France Internationale/RFI. Mr. Moghalu, welcome to World Chronicle. Here we are in the UN, but as we just pointed out in the introduction, yours is not a UN agency. What is the connection with the UN? Apart from the fact that Kofi Annan of course was partly instrumental in getting the thing rolling.

MOGHALU: Yes, that is an important connection of course. The Secretary-General of the United Nations, Kofi Annan, is the patron of the Global Fund. Besides that, we have an administrative services agreement with the World Health Organization, which provides administrative support for the Global Fund. Staff members of the Fund are appointed by WHO and assigned to the Funds headquarters in Geneva. Beyond that we have technical partnerships with some very important United Nations agencies including, again WHO, UNAIDS, the Joint United Nations programme on AIDS and with the World Bank, which is the trustee of the Global Fund. All the money that is contributed to the Global Fund by governments rests in a trust account in the World Bank. So United Nations agencies that have field presence support our work in various countries. The Global Fund is a very lean organization of 70 people in Geneva.

LITTLEJOHNS: What is the financial situation? I mean you have had pledges of 4.7 billion and some contributions although very few, in fact I think the United States and Italy have been the main contributors leaving a lot of major donors still to come through with some hard cash. What are your Funds like at the moment?

MOGHALU: Right now the Fund needs about 400 million dollars to finance a third round of proposals that the board of the Fund will decide and announce in October. You have

to understand that a lot of the pledges that are made to the Fund are multi-year pledges. They are pledges for several years in a row. And we have pledges going all the way up to 2008 -- and that is a good thing. The problem is we need a front-loading of cash right now in order to fight these pandemics and sort of bring a critical mass of resources to bear on what is definitely a grave humanitarian crisis.

LITTLEJOHNS: Where is most of the money being spent?

MOGHALU: Most of the money, 60% of the Fund's resources have gone to African countries; another 20% to Asian countries, about 11% to Eastern Europe, and about 7% to Latin America and the Caribbean. So that is the rough division. The Fund so far within 18 months, and that is a very, I think, even if I say so, a very impressive achievement; within 18 months of its founding, the Fund has approved 1.5 billion dollars, committed to 154 programmes in 93 countries world wide. So we are supporting the fight at the front lines with more than just rhetoric, which is exactly why the Fund was created.

SENGUPTA: Mr. Moghalu, we heard in the introduction how many lives are claimed by HIV, malaria and tuberculosis, but there is no dearth of human needs in the world particularly in Africa. How do you mobilize resources? How do you convince donor governments that this is something to give money to? Why this as opposed to a whole lot of other things?

MOGHALU: There is a very simple reason, and that is that yes, there are many needs in the world, but there is common agreement that the gravest threat to human security at this time, the greatest threat to the security of the future generation of the world is HIV/AIDS, followed closely of course by TB, and malaria. That is the most important reason because these diseases, and especially AIDS, presents the world with what is undoubtedly the greatest humanitarian crisis in the history of the world as far as we know. If a disease kills six million people a year, that is more than most weapons or any weapon of mass destruction that you can think of, that is more than all the wars combined, that is more than a lot of other causes of mortality combined. And so when you look at it from this objective standpoint we say to the donors, put your money where your mouth is; financing the Global Fund is not an act of charity, it is an investment in our future.

BOLOPION: You just mentioned weapons of mass destruction, which brings us back to Iraq, which has been a huge crisis, and which has been at the forefront of the international news for months now. Is all the money that is needed in Iraq or all the countries that are asked to participate there, is that somehow taking the wind out of your sail? Is it more difficult in that context to get countries to still be committed to that Fund?

MOGHALU: We should hope not. We keep making the case, which we think is very obvious: no less a person than the Secretary of States of the United States, Colin Powell, has consistently said that the greatest threat that faces the world is HIV/AIDS. It is not terrorism, it is not weapons of mass destruction, as dangerous as those things are, but, there are not -- they pale in comparison. You know when you look at the impact of HIV/AIDS, by the end of this decade, about a hundred million people, very likely will be living with the virus --based on projections. Now without a cure, which is no way in sight quite frankly, without the cure most of these people will die. The question is when? So we hope that despite realistically the other political consideration, governments have to factor into their budgeting, that they will increasingly see the fight against AIDS, tuberculosis and malaria. And in an age of globalisation these diseases are moving around. No country is immune. It is not something you can say: it's all their problem. No it is everybody's problem because people move around in the world and a lot of these viruses like TB, of course, are very contagious through just the air, so we certainly hope that despite the situation in Iraq and other parts of the world, that governments, especially donor governments will increase very significantly the amounts of money they have put to support the Global Fund.

SENGUPTA: You are making the argument that this is not an act of charity. How so exactly? How does it affect the interests of potential donor countries?

MOGHALU: Thank you for that. Let's first of all look at Africa, where you have several hundred million people in population, perhaps about eight hundred million, between six and eight hundred million. And then you have this disease slowly but surely wiping up the human capital of the continent. Now Africa is a place that many investors know that they can make a very good profit if only it were a stable continent, if only the people were healthy, if only the workforce were productive. So that is one good reason, economics, investment opportunities for donor countries will be destroyed in the developing world if these countries are destroyed by HIV/AIDS. Let's look at Asia where the pandemic now is sort of cutting a huge swath, and it is very likely that by the end of this decade, in absolute numbers, India, China and other Asian countries could have the most numbers of infected people. Now this is a very economically powerful and potent region in the world today, and not to talk about tomorrow. And most of Asia is a rising economic power and if HIV/AIDS is not prevented from taking away this opportunity, that is a huge loss to billions and billions of investments that are already there, not to talk about the ones that could be made in the future. So there is a direct link with economics, there is a direct link with security.

LITTLEJOHNS: What about West Asia also known as the Middle East? Is it a serious problem there too?

MOGHALU: It is. One of the things about HIV/AIDS is that we should not think - like I said - that any area is safe. In the Middle East it is not a bigger problem as it is in some other parts of the world now. But if we don't do anything it will become as big a problem, without fail, without question.

LITTLEJOHNS: Why have they managed to escape to some extent?

MOGHALU: There is much that is not known about the virus at this point. The question of whether or not certain parts of the world have more of it, there are a number of reasons that account for that. Where you have for example a lot of injection drug use, for example in Eastern Europe, the virus right now, that is where it is spreading fastest, in Russia. Where you have a lot of injecting drug use: that moves the virus very quickly. Where you have a lot of non-protected heterosexual sex: that moves the virus very quickly; where you have for example communities where there are men who have sex with men a lot -- that was actually how the pandemic came to world attention. So in some countries of the Middle East, cultural mores have perhaps not encouraged the spread of the disease as much as in some other parts of the world, but that is changing because we have grants to some of the countries in the Middle East like Jordan, like Egypt, with tuberculosis.

SENGUPTA: We have been talking a lot about HIV/AIDS. Your Fund is also dealing with malaria and tuberculosis. HIV/AIDS has obviously captured the imagination of the world in a certain way. But how about something as mundane and absolutely miserable like malaria, what do you actually do with the malaria portion of the Fund? Do you give everybody mosquito nets? Do you give everybody malaria prophylactic? How does that work?

MOGHALU: You hit the button. Malaria, especially for Africa, and for most of Asia is just as much a serious problem as HIV/AIDS. You know 90% of the one million people every year that die from malaria are in Sub-Saharan Africa. So what the Global Fund does, when it finances malaria, anti-malaria programmes... By the way, to back up a bit, I must say that every programme that is financed by the Global Fund is a programme that is designed, owned and implemented by the country that is submitting the proposal. It is not a question of the Global Fund financing what it thinks is good for Malawi. It is a question of the Global Fund financing what Malawi thinks is good for Malawi. So I just wanted to make that clarification. But regarding malaria specifically, we finance, yes, insecticide-treated bed nets that prevent the transmission of malaria, in the next five years we will be flooding the African continent with

more than 30 million such mosquito nets and it will protect pregnant women and children because when mosquitoes touch these nets, they die. Not only can't they get access to the human beings, but they also die. The Global Fund is financing the provision of drugs that treat resistant strains of malaria. You may know that malaria has become increasingly - a lot of the parasites have developed resistance, so we finance such treatments as well. So there are a combination of things that the Global Fund does, and there is a lot of prevention, education, messages, that the Fund also finances.

LITTLEJOHNS: This is World Chronicle. Our guest is Kingsley Chiedu Moghalu, of the Global Fund to Fight AIDS, Tuberculosis, and Malaria. Let's have a look at a short video clip about a UNICEF project in Swaziland, a country where AIDS is having a devastating effect on many communities. Here it is:

NARRATION: Rural women in Africa are traditionally the breadwinners of their families. But recently their very existence is being threatened by an epidemic – HIV/AIDS. In the small landlocked kingdom of Swaziland in Southern Africa, more than 25 percent of subsistence farming women are HIV positive. One of the communities affected is the Mahlangatsha Region, in the south-western part of the country. Stigmatized by their communities, the affected women are usually treated as outcasts. To change this perception, in 2001 a small group of women established the Swaziland Women Positive for Life, or SWAPOL.

SIPHIWE HLOPHE: We are trying to remove the stigma that is within the community because here, in the rural areas, once you are HIV positive, they won't even allow you to touch them.

NARRATION: One of the main aims of the group is to improve the health of the AIDS patients in their communities. With assistance from the United Nations Children's Fund, UNICEF, the group farms a numbers of vegetable gardens.

ALAN BRODY: We gave a little support to help them with clearing of land. The chief gave them land. They are growing vegetables. They are supplying them to people in need of care. They are using them for their own families to improve their nutrition.

NARRATION: One of those in need was a 22-year-old farmer, Mandla Mdluli, who later died from AIDS. On this day, the group delivers some spinach and cabbage to Mandla's family. Unable to work for months, he appreciated the group's support.

MANDLA MDLULI: My mother cooks the food provided by the organization and I eat it. It makes me healthy and it boosts my morale.

NARRATION: In addition to food, the group provides AIDS patients with free medical assistance. The group's nurse visits patients to check their condition and make sure they take their medication on a regular basis. With their membership reaching over three hundred, including men and women, the demand on the group's services has increased. They are planning to expand their activities to include an income generating seedlings business. With no cure in sight, the SWAPOL initiative is alleviating the effect of AIDS in the countryside of Swaziland.

LITTLEJOHNS: Mr. Moghalu, does the Fund concentrate exclusively on prevention and treatment or are you involved in food and income generating projects, like those we saw in the video?

MOGHALU: The Global Fund finances prevention programmes, treatment programmes, palliative care programmes that are focused directly on these diseases. We do not finance income-generating projects as such. Regarding AIDS orphans, the Global Fund finances educational programmes for them, finances programmes to support them and street kids who have HIV/AIDS as well. In those circumstances the grant portfolio could be a bit wider and you may know of course that there are 14 million AIDS orphans in the world, 12 million of them in Africa, and we have just started financing the programme for half a million AIDS orphans.

BOLOPION: As I understand the Fund was created to try to get the world to commit more money to that and perhaps to generate a sort of competition between countries to pledge more and more for that fight. Is it working for now?

MOGHALU: Yes indeed many more countries are stepping up to the plate than used to be the case. I might tell you or recall that the recent G8 summit in Evian in France generated very strong political and financial momentum for the Global Fund, 1.2 billion dollars, where additional pledges were made within a period of one week, during the Evian process. And for that of course we must thank President Jacques Chirac, who has been a very strong and unflinching supporter of the Global Fund.

BOLOPION: But at the same time as I remember I think a few European countries were not really willing to give more than what was already pledged and after the President Bush said he would give 15 billion dollars for the AIDS fight, some people in the Fund were sort of hoping that the European community would step up to the plate and give more and apparently a few countries have still some reluctance to do that. How do you explain that?

MOGHALU: It is difficult for me to explain the policies of national governments. I can explain the policies of the Global Fund, and leave it to national governments to make their

political decisions. But we have consistently made the point and it is increasingly being seen and accepted that there is need for increased contributions to the Global Fund. For example in Paris in July, Romano Prodi, the President of the European Commission personally pledged to ensure that Europe brings one billion dollars to the Global Fund in 2004. The Global Fund needs and has a resource mobilization target of three billion dollars for 2004.

BOLOPION: Is it difficult to go from these pledges to real cash coming into your Fund and actually being able to finance projects?

MOGHALU: Not at all. In fact the rate of conversion of pledges into cash has been almost a hundred percent. That has been our experience so far; in 1992, it was about 96 percent and that is a pretty good rate. So we don't have that problem. The problem we have is a question of countries having the political will not just making speeches, but backing it up with money because what is needed to really achieve a millennium development goals of the United Nations, that is to say halting and reversing HIV/AIDS, TB, and malaria by 2015 is a lot of resources. It is not the only thing that is needed, but it is a very important part of what is needed. So the political will to go beyond rhetoric needs to improve and increase.

SENGUPTA: What are the checks and balances on the countries that potentially receive these Funds? There are governments that are accused of not properly acknowledging the scope of the AIDS epidemic in their countries, there are governments that have refused to spend their money on anti-retro virals. What do you require governments to do in order to receive the Fund? Anything? Do they have to be transparent? Do they have to have [a] human rights record that is respectable?

MOGHALU: All those things are actually part of what we look at when we are considering proposals. Countries have to be accountable for Funds that they are requesting and we make it very clear, the Global Funds business model is what we call a results-based disbursement. And that is when you are successful with the grant, we give out a portion of it, and we watch how you perform. You submit your report and if you are performing well, we give up the next trench of money. In a bad programme performance we definitely call for a reaction from the Fund, and we have to find a way to walk around it. So there are other requirements, and that is that the proposals that you submit must be technically sound and feasible. They must have the potential to save lives. There has to be efforts at ending stigma against people with AIDS. All these things are part of what we look at.

BOLOPION: Do you have the problem sometimes of trying to help a country that as you said doesn't want to acknowledge the scope of the problem -- lots of countries, I think of China

for example -- do you sometimes try to give help to these countries and they say no we don't really have a problem with AIDS?

MOGHALU: Not quite as starkly as that. I think there is no country now that does not recognize that it has to fight HIV/AIDS. China is a member of the board of the Global Fund. It is also an important supporter of the Fund and has received grants for TB and malaria. They have applied for HIV/AIDS grants, so far they have not been successful. The problem really is a question of degree in several countries. And we make it very clear to countries that there is no room for denial, there is just no room for denial because it is at your own cost at the end of the day. You are better off accepting the fact that this pandemic is really hitting your people. It is the responsible act of governance to adopt. So that is changing though, the whole question of denial -- it exists, it existed in Africa in the 1980's. It still does in some countries, but increasingly in Africa, I think you are seeing political leadership in the fight against AIDS and we want this also to replicate itself in Asia in a preventive sense, not for Asia to wait until they have an epidemic of Africa-like proportions, which as I mentioned earlier on will be absolutely disastrous, because Asia has such huge portions of the world's population.

SENGUPTA: What do you make of the Bush administration's commitment to fight the HIV pandemic in the world? Has the administration put its money behind those promises? Have they lived up to the expectations that you had?

MOGHALU: The government of the United States is a very strong supporter of the Global Fund. In fact the Chairman of our board is Tommy Thompson, the Secretary of Health of the United States. Of the 4.7 billion dollars that have been pledged, the United States has pledged a total of about 1.6 billion, and that is roughly 40% of the total pledges of the Global Fund. That is significant, but we would like the administration to do even more. I mean they have done a lot and we recognize that and we acknowledge it, but like every other donor we are just pointing to the need. Because the three billion that the Fund is looking for in 2004, we have to understand it is part of a larger spectrum of need. UNAIDS projects that the world will need to rise to a total spending of 15 to 16 billion dollars a year by 2007 on AIDS, TB and malaria. And the Global Fund should be channeling about half of that sum. So we are looking at an objectively calculated need. It is not about individual countries and their politics.

SENGUPTA: Speaking of politics, there is a lot of concern about the Bush administration's emphasis on abstinence programmes. What implications does that have for the Fund? Are there any strings attached for the portion of the money that you are getting from Washington?

MOGHALU: No, there are no strings attached, neither strings attached for the Fund, neither does the Fund itself attach strings to any aid it gives out. We finance a package of interventions, and abstinence is one of them, and very important. There are other areas, the Global Fund finances the purchase of condoms, the Global Fund finances prevention education, the Global Fund finances treatment of people who already have the disease, so we have a comprehensive approach.

LITTLEJOHNS: Mr. Moghalu, that is all the time we have. Thank you for being with us on this edition of World Chronicle. Our guest has been Kingsley Chiedu Moghalu, of the Global Fund to Fight AIDS, Tuberculosis, and Malaria. He was interviewed by Somini Sengupta of The New York Times, and Philippe Boloignon of Radio France Internationale/RFI. I am Michael Littlejohns. Thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

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