

CHECK AGAINST DELIVERY

**12th Meeting of the Programme Coordinating Board
of the Joint United Nations Programme on AIDS**

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**Speech by
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Minister, colleagues, friends,

In welcoming you to this twelfth meeting of the PCB, I want to reflect on what has been a momentous year. For the first time, there is a real sense that the scale of the global HIV epidemic will be matched by the scale of the response.

UNAIDS is now clearly operating in a very different context than when we started six years ago. And it is fair to say that we have been a major actor in shaping this different environment. This presentation will focus on how we are responding to the new reality. I will not repeat the description of progress made by the Programme over the past biennium - it is available to read in detail in my report.

Last year was a turning point

2001 was a turning point in the short history of the AIDS epidemic: we reached perhaps the end of the beginning. We have turned the corner on four counts.

One - **political engagement** with AIDS is at an all time high in many parts of the world. Presidents and Prime Ministers have become personally involved. Within the United Nations, increasing momentum is being led by the Secretary-General Kofi Annan. Today, when political and other leaders come together, AIDS is on the agenda – from the G8 to the World Economic Forum, to CARICOM, ASEAN, the Organization of American States and the new African Union.

Last time the PCB met, the final preparations were being put in place for the UN General Assembly Special Session on AIDS. The session turned out to be a milestone. Through its Declaration of Commitment the world now has a reference point, a statement of principles and aspirations, and a guide for action. But more than anything else, by setting measurable global targets, the Declaration enables the AIDS response to make the shift from advocacy to accountability.

At the recent UN General Assembly Special Session on Children, for which our Cosponsor UNICEF was the substantive secretariat, the impact of AIDS on children was a core issue, and its outcome document took up all the goals and targets of the AIDS Declaration of Commitment.

The second turning point: we have **empirical evidence that it is possible to change the course of the HIV epidemic** on a nationwide scale.

AIDS mortality in Brazil has halved, with a constitutional right to antiretroviral access, but not at the expense of prevention – HIV prevalence has fallen in several populations. Cambodia, emerging from conflict, has tackled the HIV threat resolutely, and prevalence has dropped. In Zambia, a response focussed on young people has seen behaviours change and now HIV rates are falling. These successes are in addition to the sustained progress against the epidemic demonstrated by Uganda and Thailand.

The third turning point: **more actors** than ever before are engaged in the fight. Not least are the heads of state and government who have put their personal authority behind national responses to AIDS. But also we have seen the engagement of business, religious authorities, youth organisations, the entertainment industry, civil society – in part – and a variety of government sectors.

The strength of networking and effective organisation among people living with HIV continues to grow. For example when I was able to attend the national conference of people living HIV in Ukraine a few months ago, I saw a movement that was reaching

not only across the country, but also actively participated in the UNGASS and was a leading civil society voice in Commonwealth of Independent States consultations on the Global Fund.

The fourth turning point: the reality has sunk in that successfully fighting AIDS takes **substantial resources**.

Only four years ago, documented international spending on AIDS in Africa was just one hundred and sixty-five million dollars. This year it is will reach over a billion dollars.

The total spending on AIDS in low and middle income countries this year will be over \$2 billion. That includes national government spending, which has increased markedly especially from some middle income countries. It also includes bilateral and multilateral spending – the World Bank's Multi-Country AIDS Programme (MAP) is now in its second phase in Africa, and a MAP for the Caribbean has been established. Foundations are spending more, especially the Bill and Melinda Gates Foundation.

Added to these existing channels is the Global Fund to Fight AIDS, TB and Malaria. The funds it has available in its first year have the potential to boost low and middle income country spending on AIDS by 50 per cent. I will say more about the Fund shortly.

Unfortunately, what has not changed fundamentally is the continuing seemingly **relentless expansion of the AIDS epidemic**. You have read the depressing figures in my report. And AIDS stigma and denial continue in many communities.

Let me be clear: we're only at the beginning of the AIDS epidemic. The first twenty years in the history of an epidemic is only the blink of an eye. Even in the worst hit countries, AIDS continues to surprise by the new highs in prevalence being set. The epidemic proceeds in succeeding waves, each building on the previous ones. In most of the world, only the first few waves have yet become apparent. This will be illustrated when the UNAIDS Secretariat and WHO announce new country by country estimates on the second of July, ready for the Barcelona International AIDS Conference.

Responding to the needs

When this biennium began, we knew what was needed to build success: stronger political momentum, stronger country responses, realism about the increased resources needed to do the job, and a far broader engagement across governments, business, unions, religious and social institutions.

How have we responded?

Let me give you my nomination for the **top five achievements** of the past two years:

1. The unanimous Declaration of Commitment from the UNGASS, with genuinely relevant goals and targets, and based on the Global Strategy Framework agreed by the PCB.
2. International resource commitment – from the seven-fold increase in funds to fight AIDS in Africa to the establishment of the Global Fund to Fight AIDS, TB and Malaria.
3. A tripling of the number of National Strategic Plans on AIDS and of high level National AIDS Councils or Commissions.

4. The order of magnitude drop in prices for AIDS drugs in developing countries.
5. AIDS on the top of the UN's agenda, starting with the Secretary-General's personal commitment and including a single UN system strategic plan and the UNAIDS unified budget and workplan that represents a major mobilisation of the Cosponsors.

But this is only a beginning.

The momentum generated in the past biennium must be built upon.

As the global AIDS environment changes, there are five fundamental tasks facing UNAIDS.

1. Tracking progress to the Declaration of Commitment goals

First is to track progress towards the achievement of the goals of the Declaration of Commitment.

Developing indicators – as is on the agenda later in this meeting – and monitoring progress towards the globally agreed AIDS targets is one of our main tasks. We will campaign to achieve the Declaration's goals, progress towards which also needs to come through regional initiatives. In Africa, for example, we will fully work under the umbrella of the New Partnership for Africa's Development.

2. Supporting countries to go to scale

The second key task facing UNAIDS is supporting countries to build the capacity to greatly scale up the response to AIDS. There are positive developments which help - resources are greatly increasing, government responses are becoming stronger, and civil society is more active and vocal. In the assessment of programme preparedness Dr Brundtland and I presented on the eve of the Global Fund's first Board meeting, we found AIDS planning was well developed in 93 out of the 114 countries assessed. But as my report to today's meeting shows, there are only 63 plans which have been costed and 39 which include a monitoring and evaluation component.

However, a sustainable response will have to overcome several critical challenges. Very few countries and very few development agencies - including in the UN system - currently have sufficient **human resource capacity** to implement scaling up of AIDS activities. Within the UN system we have begun an institutional initiative to address this. It is an issue too big for one organization and we will continue exploring collaborations on the issue – at the forthcoming International AIDS Conference, USAID together with the US Centres for Disease Control and UNAIDS will be putting this issue on the table. Generating solutions will require thinking outside the box.

Similarly, our collective **technical support capacity** is just not commensurate with the current needs of countries and communities, and is often of uneven quality – despite the hovering crowds of technical experts! I believe that we can build better and more efficient technical resource facilities by joining forces: the UN system, bilaterals, non-government organisations, and the Global Fund. I will initiate discussions to explore how we can make more rapid progress.

Coordination and coherence are even more vital in times of greater resource availability and of a rapidly increasing number of actors – with the engine of the multisectoral response gathering speed, an engine-driver is more necessary than ever. Therefore, we will increase support to National AIDS Councils and

Commissions. Their development has been important but often insufficiently linked to key development processes - from public sector reform to poverty reduction strategies. Their roles in relation to line ministries have been confused and even conflictual, and they have often been hampered by a limited ability to link strategies and financing.

The final challenge to scaling up is to build the bridge with **civil society** – with the people. It is they who are demanding more social control, and their engagement will be the *sine qua non* for both scaling up and expanding the resource base. Chief among these constituencies are people living with HIV. But our attention also has to turn to those less often involved – religious leaders, key social organizations such as the women’s movement and trade unions, and business. Our support for the Global Business Council on AIDS has been amply repaid with its dynamism under Bill Roedy of MTV and now Ambassador Richard Holbrooke.

3. Mobilizing resources

The third key issue for UNAIDS over the biennium is mobilizing resources. Two years ago we documented for the first time global resource needs. The \$7 to \$10 billion estimate we produced then has been widely accepted as the resource benchmark. Today, we are less than a third of the way to the target.

To get there we need a roughly fifty per cent increase in funds from all sources over this year and the next three years. This is not an impossible task. It is an order of increase which will be achieved this year. But everyone needs to play their part: national governments - even the poorest, international donors, Foundations, business, and multilateral banks.

Keeping the increases going will need a major campaign in wealthy countries à la Jubilee 2000’s campaign for debt cancellation. The resource targets for AIDS can not be independent of broader progress in creating increased and increasingly effective development assistance, as was pledged at the Monterrey Conference on Financing for Development. Just as AIDS goals are integral to the Millennium Development Goals, so AIDS fundraising should be integral to the Millennium Development Campaign currently being developed.

The **Global Fund to Fight AIDS, TB and Malaria** is the newest funding channel. We invested heavily in its creation and first months of existence, and in support for country proposals to its first round. Together with the World Bank’s Multi-country AIDS Programmes, the Fund represents at last a financing instrument that can deliver us a return on our years of investment in strategic planning and in promoting a multisectoral AIDS response. To realise these benefits, it is essential we have a good and productive interaction. As the Roll Back Malaria evaluation report stated, there is a “natural and productive marriage” which is possible here.

I actually feel that the Fund creates an incentive for UNAIDS to do our work better! In so doing we will concentrate our support in four directions:

- First, technical review. The intention is for UNAIDS to be a major resource to the Fund’s technical review processes, though this did not really materialize during the first round of review.
- Second, support for countries in proposal preparation and in implementation, providing advice on best practice and technical support.

- Third, monitoring the impact of Fund resources and supporting the evaluation which needs to be integral to disbursements.
- Fourth, tracking global resource allocation, so the Fund can match up to the promise that its resources be additional to existing efforts.

Some of these are additional tasks to those we currently perform, but their potential benefit is huge, as they may also leverage additional commitment to the AIDS fight. I would therefore request the Board to allow us to allocate sufficient resources to fulfil our role, and donors to continue investing in structures such as UNAIDS whose relationship to the fund is symbiotic.

The promise of the Global Fund lies in its working in concert with wider development efforts. If it does not, the Global Fund may depart from best development practice and be seen as a return to project based and vertical approaches to development assistance.

I am very pleased that Richard Feachem, Executive Director of the Global Fund, has accepted our invitation to address the Board tomorrow afternoon.

Lastly in relation to resources, the Secretariat has been pursuing a major role in **resource tracking**, including to monitor whether new funds for AIDS and through the Global Fund are truly additional to existing efforts. Good progress has been made over the course of this year, even though the task of ensuring consistency and accuracy is more difficult than I had thought.

4. Strategic information and policy

The fourth fundamental task for UNAIDS over the biennium is providing strategic information and advice on policy.

The UNAIDS Secretariat will continue our work with the Cosponsors on documenting and disseminating best practice. But more than that, we will increase our efforts to refine the evidence base for directing the response and achieving more strategic resource allocation. It will require epidemiological forecasting and intervention modelling, outcome and impact assessment, economic analysis, human rights and gender analysis, country response monitoring and mapping, and programme performance monitoring and evaluation. For example, a Country Response Information System (CRIS) will be in place in 20 countries by the end of this year.

Let me highlight some of the programme areas that are calling out for urgent guidance. The **education** sector's response to AIDS is essential, with UNESCO, the World Bank and UNICEF making this a priority. Similarly, AIDS has had a major impact on rural development while responses within **agriculture** are vital to community resilience. Here we are working with the Food and Agriculture Organisation, IFAD and the World Food Programme to develop practical approaches against AIDS in the agricultural sector.

Two overarching priorities remain: scaling up prevention and care.

The challenge in **prevention** is going to scale and providing stronger leadership – but not to the exclusion of treatment, as simplistic and misleading cost effectiveness studies would have it. Because effective prevention is combination prevention, there is a need to better understand the relationship between different prevention methods. Twenty years into the AIDS epidemic, access to life-saving prevention commodities is still visibly insufficient, and in the UN system UNFPA is taking the

lead on condom provision. And a youth focus needs to remain a priority, whatever the stage of the epidemic.

The scaling up of **HIV treatment and care** probably remains our most difficult challenge. In some quarters it is still apparently a matter for debate, despite the unambiguous endorsement of the Declaration of Commitment on AIDS.

It is time to draw lessons from our still too limited experience of the past two years in accelerating access to HIV treatment and care. There has been palpable progress: on price – both of brand-name and generic antiretrovirals – with WHO's inclusion of antiretrovirals on the essential medicines list and with the WHO's production on behalf of UNAIDS of technical guidelines for HIV treatment in resource-limited settings. But nevertheless, the impact by the only measure that really counts – illness averted and lives saved - has been less than we hoped for. The UN system will need to provide more explicit policy guidance, particularly on treatment roll out, financing, resolving equity issues, and how to set community standards of care.

5. Accountability

The fifth and final fundamental task for UNAIDS over the biennium is accountability.

The Declaration of Commitment on AIDS gives impetus to the new accountability environment. It should provide a vehicle for the broader acceptance of a standard set of indicators for AIDS programmes and increasingly standardized instruments to measure them.

You may recall that in the Unified Budget and Workplan for 2002-2003 the World Bank is to host a monitoring and evaluation unit on behalf of UNAIDS. Originally this task had its major link with the performance-based Multi-country AIDS Programme.

But now, with expanding resources and the Global Fund to Fight AIDS, TB and Malaria, our monitoring and evaluation capacity is to be greatly expanded, with increasing involvement of all the Cosponsors, USAID, and I hope other donors. We will deploy a total of over 20 technical officers globally, in regions and in specific countries, to monitor the implementation of national strategic plans and boost capacity for programme evaluation. In addition we will be investing more in the training of UNAIDS Country Programme Advisers on monitoring and evaluation.

A guiding imperative is the need to reduce the monitoring and evaluation load on scarce country capacity. With proliferating numbers of partners and the sometimes inconsistent demands of donors, there is a real danger that progress against the epidemic will be impeded by the lack of capacity to meet monitoring requirements. Our support must be directed to guard against this perverse outcome.

These are the 5 key challenges for UNAIDS: tracking progress to the Declaration of Commitment goals, supporting countries to scale up responses, mobilising resources, providing strategic information and promoting accountability.

Recent UNAIDS developments

Before closing, let me briefly mention recent UNAIDS developments and their implications for this Board. The **International Labour Organisation** joined us formally in October. Their inclusion in UNAIDS considerably expands our scope in the world of work, and in securing the engagement of labour and employers in the response.

Over the biennium our Cosponsors have taken up considerably more substantive responsibilities. I am particularly pleased that Ms Thoraya Obaid, Executive Director of UNFPA, has been able to join us at this Board meeting. She has provided strong leadership to the **Committee of Cosponsoring Organisations (CCO)**, as did Ms Carol Bellamy during the first half of the biennium. You will hear a more complete report on specific Cosponsor activities later in this agenda item from Ms Obaid.

The **Unified Budget and Workplan** has over this biennium showed its worth. It is much more than a bureaucratic tool, it is a major innovation in transparency and accountability. It serves both you, our stakeholders, and the cause of fundraising, by putting up-front our collective and individual objectives, and the inputs and outputs for getting there.

In the 2000-2001 biennium a total of around \$110 million was transferred from the Secretariat to the Cosponsors from the core budget and other sources including the International Partnership against AIDS in Africa and the Programme Acceleration Fund. As you approved last year, in this biennium the proportion of the core budget for Cosponsors will rise to 34 per cent of the total \$190 million Unified Budget and Workplan.

While the HIV capacity of the **Cosponsors** is gradually increasing, the challenges of policy and programme coherence and institutional complementarity become even greater. Just as a multisectoral response in a country needs a driver and a champion, but can only be as strong as what is mobilized and owned within each sector, so too the UN response to AIDS will require strengthening of both the Cosponsoring organization and of the Secretariat.

In October last year the Committee of Cosponsoring Organisations designated convening agencies for substantive work in a number of key areas. For the first time there is unambiguous agreement on this division of responsibilities.

At the same time the **Secretariat is strengthening its core functions** in six areas:

- advocacy;
- UN system coordination and ensuring Cosponsors fulfil their responsibility;
- resource mobilisation and tracking;
- strategic information and guidance on policy and good practice;
- tracking the epidemic and the response;
- monitoring and evaluation performance.

A similar clarification of roles is needed for **UNAIDS at country level**. There is clearly considerable progress in our work but many UN Theme Groups on HIV/AIDS still have a long way to go towards integrated planning, monitoring and evaluation, working under national priorities, and looking more outward, including to civil society.

There is now consensus among our partners that the UNAIDS Secretariat staff at country level play a key interlocutor role between governments, the UN system and other partners. However, the demands on the UNAIDS Country Programme Adviser are often unrealistic, if not conflicting or ambiguous, and single professional units are insufficient. The real challenge is to properly empower CPAs. Despite the decision by the CCO that CPAs would be members of UN country teams, still only 60% are. This becomes only all the more urgent as CPAs take up a major task in monitoring progress on Declaration of Commitment on AIDS.

Over the next two and a half days, I am looking for your guidance on all these issues. As I have indicated, UNAIDS faces a substantially new global environment. I

need your support and guidance to chart the course for UNAIDS through these new waters, so that we make the most of our opportunities and fulfil our leadership mandate. In the immediate future, our most pressing task is to develop our relationship with the Global Fund to the maximum advantage of the thousands of communities which are valiantly waging the fight against AIDS.

2002 will be another defining year in our brief existence, and the next time this Board meets in December we will have the results of the 5 year evaluation before us. I am looking forward with some impatience to the results so that they will better equip us for the years ahead. I also need your vision as we shape the next Unified Budget and Workplan for the 2004-2005 biennium – and let me put on the table today my wish to move further to results based budgeting.

Finally, your commitment is crucial in raising the \$190 million of this biennium's Unified Budget and Workplan. You approved this budget, and now we need you to help fulfil it. Last year, it may have seemed an ambitious goal. But the Board had clear foresight – in today's resource context this goal seems plainly realistic.

In a month, 15,000 researchers, activists and decision makers will come together in Barcelona at the International AIDS Conference. Amid the competing voices at that jamboree, my intention is that UNAIDS will stand out as the clear voice of a reasoned and purposeful response to the global epidemic. Our actions can and will make a difference – starting with an uncompromising attack on the scourge of stigma – the theme of this year's World AIDS Campaign.

Thank you for your support.