1. The first meeting on the Second Replenishment of The Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund) took place in Oslo on 6-7 March 2007. Her Royal Highness Crown Princess Mette-Marit was in attendance. Mr. Erik Solheim, Norway's Minister of International Development, welcomed the participants and opened the meeting. Thirty-two delegations participated. Dr Carol Jacobs, Chair of the Board, and Professor Sir Richard Feachem, Executive Director of the Global Fund, made introductory statements on behalf of the Global Fund. Sven Sandström chaired the meeting. He noted that Mr. Kofi Annan had kindly accepted to continue to chair the replenishment process and would participate in the forthcoming meeting in Berlin. Participants expressed their appreciation to Professor Sir Richard Feachem for his enormous contribution to the establishment of the Global Fund and welcomed the incoming Executive Director of the Global Fund, Professor Michel Kazatchkine.

2. Participants welcomed the progress made by the Global Fund and its partners since the First Replenishment and the consistent follow-up that had been demonstrated on the issues raised in previous meetings. They commended the Fund for the high quality of the documents prepared for the meeting.

3. Participants discussed the “Results Report: Partners in Impact”. They expressed great appreciation for the report and the progress made by the Fund and its grant beneficiaries in achieving concrete results and early impact. They congratulated the Fund on the transparency, frankness and specificity of the report and noted that it demonstrates that the Fund is performance-based and results-oriented.

4. Participants stressed the need to pay particular attention to several issues noted in the report, including: (i) health systems strengthening, where they emphasized the need for follow-up with the World Bank and WHO on the recommendations of the Shakow Report, (ii) follow-up on the Paris Declaration, where they suggested that the Fund raise its level of ambition with regard to specific targets, (iii) the effectiveness of country partnerships, (iv) fragile states, where they welcomed the progress made while suggesting that further work be
done with technical partners to find ways to assist specific countries that may now not be able to implement Fund programs effectively, (v) continued efforts to monitor the balance between prevention and treatment and to improve the measurement of the effectiveness of prevention, (vi) the provision of care and support, and (vii) drug resistant strains of tuberculosis and malaria.

5. Participants emphasized the importance of gender in Global Fund programs and particularly access to treatment and services by women and girls, prevention of mother to child transmission, and sexual reproductive rights. They highlighted the need for Global Fund systems and procedures to ensure a more integrated and comprehensive approach to gender, in partnership with other institutions.

6. Participants noted that the Results Report will be very helpful in their discussion with various interest groups in their respective countries. They indicated that visits by Secretariat staff to help disseminate the Report and its findings would be helpful. In this context, they asked for further information on (i) the relative cost effectiveness and comparative advantages of channeling financial support through the Fund, (ii) effects on overall country health systems of the Fund’s disease-specific support, (iii) how Fund programs support vulnerable and disadvantaged groups, and (iv) country capacity to contribute, including through domestic counterpart financing. WHO and UNAIDS will provide an update on resource needs through 2015 and were requested to prepare a report on the cost of inaction.

7. Participants considered a report on the current funding outlook for the Global Fund. With regard to the 2006-2007 replenishment period, they welcomed the encouraging funding trend and the more solid foundation now emerging to meet the resource needs of the Global Fund. About US$ 0.6 billion is already available for Round 7 new grants, including additional contributions for 2007 announced at the meeting. Donors acknowledged the need for further contributions for Round 7.

8. Participants discussed a Global Fund Secretariat report on resource needs for 2008-2010 and the associated funding scenarios, which range from US$ 12 billion to US$ 18+ billion for the three-year period. Donors agreed to consider ambitious but realistic funding targets in this range. In doing so, they noted that the performance and results demonstrated by the Fund and its grant beneficiaries provide a strong basis for scaling up the programs of the Fund. Furthermore, donors took into account expressed demand as well as global resource requirements to achieve the Millennium Development Goals, and also discussed the likely evolution of other funding sources for the three diseases and the sensitivity analyses presented by the Fund Secretariat. They welcomed the upcoming April Board discussion on the size of the Global Fund, which would further inform them as they consider a specific target for the replenishment.
9. In discussing future funding scenarios, donors emphasized the importance of continued strong performance by the Fund and its beneficiaries and of enhancing the predictability of Global Fund grant financing through multi-year donor commitments. They discussed the challenge of mobilizing country capacity for scaling up and agreed to keep this under review. They asked the Fund to explore options for reducing cash balances through the use of promissory notes and other instruments. They also stressed the need to (i) broaden the donor base, (ii) increase private sector contributions, and (iii) revise the current system for allocating Board seats and votes in order to encourage donor contributions and inclusion of new donors.

10. Participants received three brief updates. First, the report of the Resource Mobilization Task Team was presented by its Chair, Mr. Michael Madnick. Participants noted that the Fund’s Board will consider the report at its meeting in April and would decide on its recommendations.

11. Second, participants were briefed by the private sector representative, Dr. Brian Brink, on the progress made in mobilizing additional resources for the Global Fund from the private sector. They welcomed the US$ 20 million that has so far been generated by Product (RED). They appreciated the emergence of a much needed stronger partnership with the private sector and the many promising initiatives now under way to meet the needs of the Global Fund and the expectations of other stakeholders.

12. Third, progress in developing a Global Fund strategy was presented. Participants noted the strategic issues that would be proposed for decision at the April Board meeting. They expressed satisfaction that the strategy process was nearing completion and looked forward to receiving the final strategy document well ahead of the next replenishment meeting.

13. Participants agreed to meet again in Berlin on 25-26 September 2007 and reviewed plans for the meeting. Donors expressed appreciation to Germany for hosting the September replenishment meeting. Germany also offered to organize side events during the meeting on key themes such as gender, health systems and other aspects of the Global Fund’s work as well as to ensure consultation with civil society and the private sector. Donors emphasized the need for strong support for the replenishment in the coming months based on clear indications of performance, cost effectiveness and comparative advantages of Global Fund programs as well as supportive messages from civil society, beneficiaries and other key constituencies. It was emphasized that at least ministerial-level representation is expected at the Berlin meeting.

14. Participants thanked the Royal Government of Norway for the excellent arrangements for the meeting and for the warm hospitality.