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

Mid-Term Review of the 3rd Replenishment
Geneva, 15-16 November 2012
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:
  o roll out of new funding model
  o the notional global resource distribution by disease