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Chair

Mr. Dean Allison

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•(1115)

[English]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): Pursuant to Standing Order 108(2), we're going to be meeting with the director of the Global Fund to Fight AIDS, Tuberculosis and Malaria. This is meeting number 17.

I want to welcome Dr. Christoph Benn, who is the director of the external relations and partnerships cluster, and Mr. Robinson, who is no stranger to Parliament; welcome back, sir. We're glad to have both of you.

Dr. Benn, if you'd like to start, you have 10 minutes. Why don't you start with your presentation? Hopefully, we'll have equipment problems figured out by the time you're done.

Welcome, sir. The floor is yours. Take it away.

Dr. Christoph Benn (Director, External Relations and Partnerships Cluster, Global Fund To Fight AIDS, Tuberculosis and Malaria): Thank you very much, Mr. Chair.

Thank you all for coming. I'm really very impressed and gratified that there's such an interest in the Global Fund and what we have to share with you. Thanks for the invitation. Thanks also to Svend Robinson, who has been working with me in the Global Fund and who is very well known to many of you.

In fact, I was before this committee together with our then executive director Richard Feachem five years ago, in 2005. I know that a few of you were present at that time. That gives me an opportunity to describe to you what has happened over the last couple of years. I think it's a very impressive story.

The Global Fund was created in 2002, meaning that when I was here in February 2005, we were three years old. Now we are eight years old. The results of what has happened in that period of time are really quite impressive.

When I was here in 2005, the Global Fund had \$6 billion in contributions from the donors. Now we have \$22 billion overall from public and private donors. At that time, we had approved programs worth \$2.4 billion. Now we have \$19.3 billion worth of programs in 140 countries on all three diseases—AIDS, tuberculosis, and malaria.

However, the most important thing is what has actually happened with this money. Have we been able to achieve real results that are affecting the lives of people around the world?

Here are a few highlighted figures. At that time, 2005, we supported 50,000 people on antiretroviral treatment. Nowadays we support 2.5 million people on antiretroviral treatment around the world. At that time, we had helped countries distribute 2.7 million impregnated mosquito nets to prevent malaria. Up to now, we have distributed 104 million mosquito nets. At that time, we had provided treatment for tuberculosis for 250,000 people. Up to now, more than six million people have received effective tuberculosis treatment.

You can see the trajectory of the financial support that enabled countries to implement very impressive programs. It has been calculated conservatively that five million people are alive today who would otherwise have died already from these diseases, and the number is increasing by 3,000 lives per month.

Looking at the bigger picture for these three diseases, we are really talking about what we are achieving in terms of reaching the health-related millennium development goals. Very briefly, there has been very impressive progress on malaria. Among the three diseases, this is the easiest disease to prevent and to treat because, with the combination of bed nets and effective treatment, you can lower mortality from malaria by 50% or more.

That is exactly what has been happening. We have a number of countries in Africa—Ethiopia, Eritrea, Burundi, Rwanda, Tanzania—in which we see declines of mortality from malaria of 50% and more. It is so successful that not only do we believe, together with the World Health Organization and others, that we can reach the millennium development goal on malaria, but we might be moving toward the elimination of malaria as a public health problem in many countries around the world. That would be a major achievement, of course.

When it comes to tuberculosis, again there are declines in tuberculosis incidence in many countries. We believe we are on track to reaching the millennium development goal on tuberculosis.

The most complex of the three diseases is HIV/AIDS. While I said that we have 2.5 million people on treatment, that is a huge success. Ten years ago, hardly anybody in Africa was receiving treatment; now, 42% of all people in Africa with AIDS are receiving effective treatment. However, we still have a way to go to achieve universal access and a broader decline in mortality from AIDS, so we will have to redouble our efforts to reach those goals.

Let me say one word about the relationship between the three diseases and maternal and child health, because that is a very important topic. We applaud the Canadian government for putting it high on the agenda of the upcoming G-8 summit here in Canada, but we want to make the point that 51% of women in Africa are still dying from AIDS, tuberculosis, and malaria. They are also dying from causes that are directly related to childbirth; still, the diseases play the biggest role, and therefore we have a major impact on maternal mortality, directly and indirectly.

We are also providing support for contraceptives, for antenatal clinics, and for sexual and reproductive health. We already invest a lot into maternal and child health; in fact, we believe that 37% of all our resources go into child and maternal health. I think that is a very important point as Canada, together with the other G-8 countries, considers the way forward in making more progress on these very important issues.

Canada has been a very strong supporter of the Global Fund from the beginning. Currently, the vice-chair of the board is Dr. Loevinsohn, from CIDA. Canada is the eighth-largest donor to the Global Fund. It is currently providing \$150 million per year.

We are in a replenishment period. That means that every three years the donors come together for replenishment conferences. The next one will happen in New York on October 5, under the chairmanship of Secretary-General Ban Ki-moon.

We have asked the donors to consider three scenarios that need significant increases in the contributions to the fund, increases of either \$13 billion, \$17 billion, or \$20 billion. That's what the donors are currently considering, which means that increases are required. I'd say our major donors would need to increase by 50% if we want to maintain the momentum toward the achievement of the millennium development goals. We have a real chance and a real opportunity this year, but it would require a significant increase from our main supporters, including Canada.

There is good news from some donors. Japan has just increased its contribution for this year by 27% and the U.S. has increased consistently by 30% over the last few years, so we have positive signals, but we need this momentum.

I wanted to show you a short video that shows you some of the main supporters of the Global Fund. They helped to create the Global Fund and they still maintain support for the Global Fund. I would be glad if we could listen to a few key voices here.

● (1120)

The Chair: We're going to need a little bit more time, Dr. Benn. Although you see all these TVs around here, we're not sure where the VCR is. It's our first meeting here.

We'll show it at the end to wrap up, which will probably be another option as well.

Dr. Christoph Benn: That is fine.

Mr. Paul Dewar (Ottawa Centre, NDP): How many Canadians does it take to turn on a VCR?

The Chair: They have to find the VCR first, Paul, and when we find that, we'll realize we have a DVD and we'll be in big trouble.

Dr. Christoph Benn: I know that technology never fails to fail, so I'm not too surprised.

I will conclude my remarks and we can go into the question-and-answer session. I'll be happy to look at the video at the end.

This, of course, is an extremely critical year, not just for the Global Fund but for development and health overall. This year we have the summit on the millennium goals in September, when all the heads of state will come together to review the progress over the last 10 years, and the G-8 and G-20 summits, which Canada will host.

That is absolutely critical. I think we are in a transition period. We are relying increasingly on emerging economies—the G-20—to also make their contribution. We are talking to all of them to encourage them to become either donors or more significant donors to the Global Fund as well, but we are really looking at the leadership role of Canada this year. It's a particular responsibility, I believe, that you have the presidency of the G-8 in 2010. We have the full support of Secretary-General Ban Ki-moon, who is very strongly engaged on these issues and very interested in health.

I think this is an opportunity that we should not miss. We've made tremendous progress, but we need to sustain this progress into the future. That's why it was so important for me to be here with you today and to discuss what more we can do, if we look into the future, to reach the very important but ambitious goals that we've set for ourselves.

Thank you very much, Mr. Chair.

The Chair: Thank you, Dr. Benn. We're going to get right to questions. As I say, if we're able to locate the DVD in the building, we'll wrap up with that.

I'm going to start with Dr. Patry and Mr. Pearson.

Go ahead, Mr. Pearson.

Mr. Glen Pearson (London North Centre, Lib.): Thank you so much for coming. I think all of us want to congratulate the Global Fund. Personally I want to congratulate you, not so much for your success but for the success on the ground that you have been able to achieve. Many of us have been wanting to see this kind of development over the years, and I thank you for all your efforts in doing that.

I also want to congratulate you on having Mr. Robinson here. He is a terrific representative to us, a real advocate. We're glad to see him with you again.

I have a question and I know that because of your vast experience you'll have a good answer. I think you partly answered it already. With Canada sharing and chairing the G-8 this year, and having the presidency of it, I was wondering what you think would be sufficient for Canada to donate towards this initiative on child and maternal health. I think you just answered; I think you said you would be looking for a 50% increase from the major donors. I wonder whether you could break that down for me a bit, if you don't mind, so that we can get a better understanding and handle on it.

Is that observation correct?

Dr. Christoph Benn: Absolutely, yes, Canada has a particular role this year. We are asking all our main donors to increase contributions by about 50%, but I would say Canada would have a particular responsibility. It's great that some G-8 countries, such as Japan and the U.S., have already moved ahead. The Europeans currently find themselves in a big crisis around the euro; nevertheless, we have strong supporters there as well and we are hopeful they will also increase. However, Canada would certainly have a lead role.

The Canadian contribution for the global fund helps us to maintain and expand all these programs to fight AIDS, tuberculosis, and malaria, but as maternal and child health is so much on the agenda for this summit, I think it's very important that Canada consider the Global Fund as the major investment that the G-8 and the UN together have set up. As I indicated, we have already invested a lot into maternal and child health. Rather than trying to think about a separate mechanism or a different channel, I think it would be wise to consider the Global Fund as the potential channel for this initiative, and I know that a number of other donors would look at it the same way.

We had an editorial yesterday in *The Globe and Mail*, which I read on the plane coming here. I was delighted to read it, as you can imagine, but I think it makes sense: why create something new if you already have something—the Global Fund—that most donors agree is not only effective but also efficient?

We work with a small secretariat, so we can assure that there is little overhead. All the money that Canada has donated goes to the programs, to the field. Because we work without country offices, we can cover our administrative costs from the interest we get from the contributions. There's an efficient model here that would be able to address the challenging questions around child and maternal mortality that have to be addressed in the future.

• (1125)

Mr. Glen Pearson: That's great. Thank you, sir.

The Chair: Mr. Patry is next.

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): *Merci beaucoup.*

It's a real pleasure to see you here. I remember in 2005 when Svend was a member of this committee. It's fabulous.

It's very interesting to see the progress that the Global Fund has made. You talked about 104 million mosquito nets and six million people treated for tuberculosis, and treatment of AIDS also. You said at the end that you want to maintain the challenge and you talked about three scenarios.

Everything you pinpointed this morning is about the treatment. What about the prevention? There's prevention for malaria, no doubt about it—there are the bed nets—but how about the prevention of AIDS and tuberculosis?

Dr. Christoph Benn: That's very important. The investment of the Global Fund goes equally into prevention and treatment.

By the way, it's not the Global Fund secretariat that decides that, but the countries. When the countries apply, they design their programs, and we simply finance them, so we don't actually

influence whether the money goes into treatment or prevention, but it turns out that all the countries apply for almost equal amounts for prevention and treatment.

I mentioned treatment because it's often more appealing and easier to explain, but a lot of money goes into HIV prevention in terms of provision of condoms, information, and testing and counselling clinics. I could give you a lot of numbers on those as well. There have been more than 100 million testing and counselling sessions. They are a prerequisite for the treatment, but they are also important for prevention in letting people know about the infection so that they can modify their behaviour.

I can reassure you that as much money goes into prevention as goes into treatment.

Mr. Bernard Patry: With this prevention, do you see the number of people who have AIDS or tuberculosis diminishing?

Dr. Christoph Benn: Yes, we do. In the most affected countries in Africa, we see a decline of HIV prevalence. It's not as dramatic as with malaria, of course. You can't achieve that in a short period of time. As I said, with malaria, it's 50%, but in HIV, you now achieve reductions of 5% or 10%, which is great, because we are seeing a reversing of the trend of increasing infections.

It is the same thing with tuberculosis. We see a decrease in the infection rates in most countries, but there are two challenges that remain with tuberculosis that I need to mention. One is the multi-drug-resistant tuberculosis. We have problems in a number of countries with the resistant tuberculosis. It is extremely expensive to treat, but it's also extremely dangerous. That applies not only to countries in Africa or Asia, but also to countries such as Canada, or in Europe. Drug-resistant tuberculosis is one of the big global public health threats.

The other is the coinfection of HIV and TB. In countries where most of the people have a coinfection, it's more difficult to control both infections. In tuberculosis in general, yes, there is progress, but these are two really challenging areas where we need to redouble our efforts.

The Chair: Thank you very much, Dr. Patry.

Now we're going to move to Madame Lalonde, or is it—

[*Translation*]

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Chairman, I will be splitting my time with Ms. Lalonde.

You told us about major progress being made in the fight against malaria, tuberculosis and HIV. If we look at the summary that I have here on the Global Fund's achievements, we find that you are directly contributing to millennium's objectives Nos. 4, 5, 6 and 8. You talked about progress, and also about the importance of increasing funds by 50%. If I am not mistaken, all current efforts are interrelated and are aimed at also reducing maternal and child mortality. It is really necessary that everything be coordinated efficiently on the ground.

What is your strategy and how do you assess the needs of each individual country?

• (1130)

[English]

Dr. Christoph Benn: You're absolutely right. All the MDGs are interconnected, and I'm pleased you're mentioning MDG 8, because that's an effective development partnership. We would not be able to achieve the results on MDGs 4, 5, and 6—children, maternal mortality, and the diseases—unless we initiated a new kind of development partnership at the country level. In every country where we invest, we demand a round table, which we call the country coordinating mechanism, at which the governments, civil society, and the private sector come together to discuss the needs of the country, define together what the priorities are, and then submit their proposal.

That is not without challenge in countries where you perhaps don't have a tradition of a participatory democratic process, but this method has forced countries to develop this kind of partnership, and this clearly improved over time. You cannot fight these diseases or achieve other development goals unless you involve civil society and the private sector also. Governments today cannot achieve those results by themselves.

So I do believe that the Global Fund model also offers some interesting lessons that go beyond those diseases, actually, and affect the millennium development goals more broadly. That is certainly something that can be applied also in the future.

[Translation]

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Thank you.

I welcome you and also Mr. Robinson, whom it is a great pleasure to see once again.

You said that you want to take advantage of the G-8 to improve results. Could you please elaborate on that?

[English]

Dr. Christoph Benn: The Global Fund has basically two origins. One is the UN; the UN Secretary-General at that time, Kofi Annan, whom I hope you will see in the video at the end, was really a big supporter of the fund. The other one has always been the G-8.

It started with the G-8 in Canada in 2000; then, at all the G-8s over the years, the Global Fund, the fight against the diseases, and the progress towards the millennium development goals have always been on the agenda. We are confident that this will not be different at the G-8 here in Canada.

The difference is twofold. First, we are obviously in the middle of this economic crisis, so that's new. It was much easier in years like 2005 or 2007 to achieve big increases in ODA and funding. It's more challenging in 2010. Therefore, Canada has this particular challenge of finding a way to maintain this commitment in the middle of this crisis. I believe the answer is only through these results. We can only get the confidence of the donors, in spite of the crisis, if we tell them we are using their money with accountability, with transparency, and with results.

The other difference in 2010 is, as I described, this shift towards the G-20. You are witnessing the first big transition from just the G-8 countries to the inclusion of countries such as China, India, Saudi Arabia, South Africa, and Brazil at the table.

That's also an opportunity for us. Interestingly enough, basically all these countries have received Global Fund funding over time, so here you have, suddenly, big countries at the table that can speak from their own experience: China, Russia, Brazil, Mexico. They can say, "Well, we know the Global Fund, because we have benefited from it". We hope this will support our efforts and that Canada can manage this transition and now get broader support. We want these countries to contribute financially now. They are in situations that allow them to take over more responsibility. We are talking to all of them, but we would be happy to have Canada's support, as you will have the chair.

That's why I said it's a very important year for us.

[Translation]

Ms. Francine Lalonde: Have you received positive signs from countries that are getting help and that want to become countries that provide assistance?

• (1135)

[English]

Dr. Christoph Benn: Yes. I would mention in particular Russia and China. They have already made this transition, but we want to see an even bigger commitment. We would now also like to have countries such as India, Brazil, and so on come to the table, because it's a joint responsibility, after all. That's the world we are evolving into.

[Translation]

Ms. Francine Lalonde: When you work in the countries, you provide the funds, but you work with these countries and with NGOs. Are there groups that are primarily related to you?

[English]

Dr. Christoph Benn: Yes. About half of our resources go to the governments directly, and half of the resources go to the non-governmental sector, but the important point is that it's the countries that decide. It's not us deciding at the global level and picking an NGO here or an NGO there. Many are active at the country level, and they often have the capacity to implement. They are running clinics. They have procurement systems and distribution systems, so they can play a very important role. Therefore, we support them directly and we want them also at the decision-making table.

By the way, NGOs are also sitting at the Global Fund board making decisions. This is the first really participatory decision-making. I told you we have allocated \$19.3 billion so far; this allocation is made by a board that divides participation and decision-making power equally between the donors and the recipients, both the governments and the NGOs. That is a particular dynamic, but I think it's very appropriate for the 21st century that we go into this more equal decision-making. It has worked very well, and not just from the perspective of the recipients: I think even the donors would say this has enriched our discussion and improved our decision-making.

[*Translation*]

Ms. Francine Lalonde: Have you had bad experiences, have you been the victim of abuse, of corruption? Trust is your trademark: we can have the assurance that money will go where it is meant to go. How do you achieve that result?

[*English*]

Dr. Christoph Benn: Yes, absolutely. It's critical for our model that we can demonstrate results and good use of money. The way we do it is by implementing what we call "performance-based funding". That means every recipient enters into a contract with the Global Fund. The contract includes the indicators of what they are going to achieve; the indicators are then externally verified by auditors as to whether they achieve or not, and that determines the funding.

You asked if we have had negative experiences. Yes, absolutely, and I can talk about that freely because it's transparent. I'm not mentioning any country that would be secret.

We had a couple of countries in which there was evidence of corruption. We then have different ways to respond. We can stop the funding temporarily, or we can stop the funding for a period of time and ask that the countries completely restructure the way they operate. We have done that in countries such as the Ukraine, which was the first, as well as in Uganda, Mauritania, and recently the Philippines. It's important to note that it's not against the country, of course, but usually against corrupt officials who misuse the money. We demand, then, that they be replaced, that there be consequences, and if we see that they restructure the programs, we're happy to take up the funding again.

It's transparent on our website. We have an inspector general who visits the countries with his auditors, and all these reports are on the website. They are also meant as something of a deterrent for other countries. They know we are watching what is happening.

The Chair: Thank you very much.

I think we now have the DVD. Let's do that. We'll then come back and finish with the last two rounds.

- _____ (Pause) _____
-
- (1140)

[*Video Presentation*]

- (1145)

The Chair: Now we'll continue our questioning.

Go ahead, Mr. Abbott.

Hon. Jim Abbott (Kootenay—Columbia, CPC): Thank you. I'm going to be sharing my time with Mr. Goldring.

Svend, it's good to see you again.

It's a pleasure to meet you, sir, as well.

I need to get into some partisan politics for just half a second, because the difficulty that any government has, and particularly a minority government, is that you can have myths, such as the one that we are cutting aid to Africa, when in fact we are doubling aid to

Africa, so I would be interested in any comment that you might choose to make.

Let us take a look at the numbers that our predecessors, in a very good way, contributed. There was over \$300 million in global aid. However, we are now at \$640 million. As a matter of fact, the total is almost \$1 billion. I'm sorry to put you on the spot, but this is a political system. I would appreciate your comments on the commitment and the contribution of the government to your organization.

Dr. Christoph Benn: You mentioned all the right numbers. Cumulatively, Canada has contributed close to \$1 billion Canadian. Over this three-year replenishment period, Canada contributed \$450 million, and as I mentioned, which makes Canada the eighth-largest donor to the Global Fund. I would characterize Canada's contribution to the Global Fund as generous. I regard Canada as a strong supporter.

Fortunately, the Global Fund enjoys fairly strong support from a number of countries. I mentioned the G-8. The largest donor by far is the U.S., followed by France, followed by Germany. The fourth-largest donor is actually Spain at the moment, and then Japan. We have this strong support, and Canada clearly belongs in that category.

The question for this year is whether we can galvanize that support, because all these countries that I mentioned are facing budgetary problems. There is no question about that. We know, therefore, that there will be painful decisions in a number of countries. Nevertheless, we appeal to Canada, as we do to the other countries, to just assess as objectively as you can whether this instrument that you created has worked and whether it's worthwhile to put more money into it.

We have the choice to maintain it and say, "We have a crisis; therefore, unfortunately, we cannot give you more", but we would slip back a little bit on the results that we just showed, because we are putting people on lifelong treatment. We are in the business of trying to eliminate malaria, and that will require more resources for the future. It's absolutely true that we're applauding Canada for its commitment, but we're appealing to Canada, in a sense, to try— together with the others, and not alone—to say, "Yes, this is something that we've created together; we want to provide more support so that we can achieve our goals".

Hon. Jim Abbott: Thank you for your very fair comments.

I believe Mr. Goldring has a comment or question.

Mr. Peter Goldring (Edmonton East, CPC): Thank you for appearing here. I really appreciated that video too. I think that filled in a lot of the missing comments from your introductory remarks.

I want to make a short comment here for Svend.

We ran into each other at the OSCE some two years ago, and I was impressed with the way you were working the room there. My comment is relative to the 56 countries represented there, and the 300 MPs. I'm sure you had time to meet each and every one of them, and that's a powerful forum for contributing to a global effort like this.

Certainly it is every country's, every person's, responsibility to try to help out where they can. I noted what my colleague was saying about the \$20 billion. Canada, as you say, has contributed some \$1 billion towards it, which is well above the average in terms of population of countries that have participated in it. I'll also add that when we first entered into this, back down the road, our dollar was probably 80 cents on the dollar. Now it's at par, so that's an additional benefit.

I think the fact that our Prime Minister is going into this combined G-8 and G-20 meeting and putting additional focus and attention on maternal and health care, in addition to what we're already doing, bodes well for the future too.

With reference to your comments in the video here, I think it's very important to emphasize that this not only helps in terms of human needs, but that the improved health of the people also allows human endeavour and human initiative to appreciate as well. Do you have any statistics on how this is manifesting itself? Is there some comment you could make as to how this is improving the lives of people?

• (1150)

Dr. Christoph Benn: Do you mean in economic terms?

Mr. Peter Goldring: Yes.

Dr. Christoph Benn: There are numbers. Malaria alone costs the African continent \$12 billion per year. That's a significant amount. It is not just the direct cost for the treatment for the disease, but the cost of absenteeism. Frequently people in Africa cannot go to work, cannot care for the community, and so on, because they are sick with malaria. That has been documented.

The same applies to tuberculosis, and even more so to AIDS, because it affects the working-age population. It has a tremendous effect on the economy of many countries, particularly in southern Africa. We have good data to prove that while this is a significant investment, the return is much higher than the investment. We invest, let's say, about \$1 billion now per year into malaria control, achieving a 50% reduction. I said it costs \$12 billion. That's the cost of the disease, so you see that it's a very good return.

You're right; sometimes we have to argue not just in humanitarian terms, but also in economic terms, that this is an investment that makes sense and helps those countries to develop. The entire issue of *The Globe and Mail* yesterday was about Africa, the future of Africa and the economic potential of Africa. Africa has been growing economically over the last few years, and I think good health contributes to that. It is one of the foundations for socio-economic development in those countries.

Mr. Peter Goldring: Is education a component? Can people learn how to better care for themselves and avoid certain things, and are there cultural concerns that education can help for a better understanding?

Dr. Christoph Benn: Yes. For all the interventions there are educational components, even for the mosquito nets. We have, for example, radio program advertisements to tell people to sleep under the nets, so that they understand why they are protected by these nets. It's important to understand. The same applies, obviously, to HIV/AIDS in terms of sexual education, social marketing of condoms, and so on, and maternal health as well. We are not only making the services available but also ensuring that people understand that they should use these services. That always goes hand in hand and is part of the financing of these programs.

The Chair: Thank you very much.

We're going to move it back over to Mr. Dewar for seven minutes.

Mr. Paul Dewar: Thank you, Chair, and thank you to our guests.

I want to start off by saying that I think your timing is important, and not just in terms of the G-8 and G-20: there was a well-orchestrated editorial in *The Globe and Mail*, and any politician would love to know how that was done. Good luck is better than anything.

I'll put it in medical terms, perhaps. We've had a bit of a political virus here that has many people concerned, and hopefully you're an antidote to it. Most Canadians and those who are involved in the issue of development, certainly with the focus of the G-8 and G-20 on child and maternal health and poverty reduction, want to see us start talking about the solutions. The virus we've had is a political one, and hopefully what you've presented today, what we saw in the video, and what we heard from other voices, including what we saw in *The Globe and Mail*, will help us rid ourselves of that political virus.

If I may get to the point, what you've pointed out is the success of this fund. If we're going to continue to be successful, you've given us the three options. With Canada's role in heading the G-8 and Canada's record as a good donor, you give us the three options to continue our success. I obviously would like option three.

If we look at the amount of money you're asking for from Canada, would option three be the 50% increase? In other words, if Canada, commensurate with all of the other donors, was able to convince the other donors, would that be a 50% increase over what we're donating now? Would that get us to the third option of \$20 billion?

Dr. Christoph Benn: No, hopefully that would get us to the second option. The third option would mean a doubling of the contribution by all donors, because currently for this replenishment period we are at \$10 billion, and the third option is \$20 billion.

We are aiming for \$17 billion for the next period, but I am not asking Canada or the other major donors to increase by 70%; I am asking only for a 50% increase, because we are also expecting contributions from countries such as China, Saudi Arabia, and Russia, as I said. They have to cover more of that. However, I am asking Canada, like the other G-8 donors, to consider a 50% increase.

• (1155)

Mr. Paul Dewar: We've brought up the transmission of HIV/AIDS from mother to child in the House, and I'm hoping the government is able to push this. There have been some concerns on that issue, but I also note there is some hope there. This is something like malaria; we can lick it with the proper resources.

Can you share with us what we need to do to eradicate mother-to-child transmission of HIV?

Dr. Christoph Benn: The situation is that if a woman is infected with HIV, becomes pregnant, and is delivering a baby, and there is no treatment available, no prevention, then the risk that the baby will be infected is about 30% to 40%. However, if we give her the right drugs, the drugs that we also use for treatment, and we also provide her with alternative to breastfeeding, then we can reduce that risk to less than 2%.

That is happening in many countries, and we have indeed seen significant progress. With Global Fund support we have treated, so far, about 800,000 women around the world to prevent this transmission. Madame Bruni-Sarkozy is the special ambassador for the Global Fund on that. She is a global ambassador who is going around the world to argue for that and she has helped us tremendously in getting political attention. Indeed, we believe that with these interventions we can virtually eliminate these transmissions. This means that by 2015 we want to have a world where there should be no babies born with HIV. That's the goal.

Mr. Paul Dewar: You need more resources to do that, clearly.

Dr. Christoph Benn: We need more resources to do that, in line with the scenarios we just discussed. That would enable us to go beyond what we've done so far. Treating 800,000 women is great, but we need roughly to double that number if we really want to reach all the women.

By the way, that includes not only treatment; they first have to come for testing and counselling. That's the first step. You provide testing and counselling and then, if they are positive, you provide the drugs.

Mr. Paul Dewar: I note that when we've asked the question in the House, the government has acknowledged the testing part. I'm just wanting to get involved, and maybe they have this now, which is the other piece of that, because if you test without support, then it's difficult to say we've been successful.

The cost of drugs is an issue. I wonder if you could speak to where the Global Fund gets its access to the lifesaving drugs, the antiretrovirals?

Dr. Christoph Benn: These drugs were costing more than \$10,000 per patient per year 10 years ago, before the Global Fund started; we are now purchasing these drugs for \$150 per patient per year. That's a dramatic decline in terms of cost. We are purchasing

more than 90% of these drugs from generic producers, mainly in India, South Africa, and Brazil. They produce these drugs at minimal cost, basically production cost. We've seen a decline of drug costs over the years, and probably now we have more or less reached the cost required to just produce these drugs. More than 90% are bought from generic producers in emerging economies.

Mr. Paul Dewar: So the bulk buy is done from India, primarily?

Dr. Christoph Benn: Yes, it is primarily India, but we also buy from other emerging economies.

Mr. Paul Dewar: That's interesting. We have actually had a debate in our Parliament about that, about Canada being able to do a bit more. Some point to the fact that the Global Fund has been able to buy in bulk and that India has probably been the best market for doing that, but that's for a domestic debate.

Finally, I note the way the Global Fund works. I noted *The Globe and Mail* article and your reports about the success in terms of looking at results, the accountability, and the way you work with government, with civil society, and with those who are involved. The Global Fund doesn't dictate in terms of how delivery is done. Is that correct?

Dr. Christoph Benn: That's correct. We don't dictate the terms, but we measure the results. As I indicated, we think this is like a contract. We enter a partnership contract in which the responsibility is with the country, but they are also accountable for the results. That's the contract. If that's kept by both sides, then we provide the money and they provide the services.

• (1200)

Mr. Paul Dewar: Thank you. As I said at the beginning, if we have difficulty trying to go forward on maternal and child health or the MDGs, which will be assessed in September, I think you have provided us today with an excellent example of what we can do, given the requisite funds. We could probably blow past what I consider to be a bit of a distraction here.

Thank you for your time and for coming.

The Chair: Thank you, Mr. Dewar.

We're going to have a quick question from Mr. Lunney, and then we'll wrap up with any final comments you have.

Mr. James Lunney (Nanaimo—Alberni, CPC): I will pick up on the malaria issue. I congratulate you on the successes of the program in a number of areas. I noticed from your comments that malaria mortality was down about 50% in many of the countries you're engaged with. As well, did I hear you correctly? Was it 104 million or 140 million mosquito nets that have been distributed?

A voice: It was 104 million.

Mr. James Lunney: It's 104 million, yes.

I want to ask about the other aspect of trying to control these mosquitoes. Not every genus of mosquito actually carries the infection; what else is being done to control malaria beyond the nets, in terms of controlling the mosquitoes?

Dr. Christoph Benn: Basically you have three interventions that you need for malaria control. First is the nets. Then there is the treatment: you eliminate the parasites in the blood of the patients, and you spray insecticide inside the houses, which also kills the mosquitoes. You're right that it's only one species of mosquito, the anopheles, that transmits the malaria, but the combination of these three interventions can basically cut that down.

We see that already in places like Zanzibar, where the reduction of malaria transmission is not 50%, but 90%. If you do all three interventions in a defined area, then you can see dramatic declines.

By the way, I just want to note that there are other mosquitoes, and you can kill those at the same time. That will not prevent malaria, but aedes, for example, transmits yellow fever or dengue fever, or others. You have positive side effects there as well, because you're killing other types of mosquitoes at the same time, so it's quite a dramatic effect that you achieve with relatively simple and doable interventions.

Thank you.

The Chair: Before I give you final comments, I understand you gentlemen had the French added in the subtitles for this committee. Thank you very much for that. We appreciate your recognizing the French and English.

Are there any final comments before we adjourn?

Dr. Christoph Benn: Again, thanks for this opportunity and the great discussion.

I have one request from our side, if I may. We met this morning with the chair of the finance committee and we had a very good discussion. We understand that the finance committee made a resolution at the end of last year for increasing support from Canada to the Global Fund. Obviously if this committee would join the finance committee, that would be a wonderful sign. It is always very important to have bipartisan support, and unanimous support, as I understand was the case in the finance committee. That would be tremendously helpful and a very important signal, particularly this year, as I mentioned before.

Thanks again for all your interest, for the excellent questions, and for Canada's support to the Global Fund.

The Chair: Okay, and thank you once again for the hard work you guys do on the front lines.

I'm going to suspend for five minutes while we get set up for the video conference for the next round and the next meeting.

With that, we'll thank the guests again.

Thank you.

- _____ (Pause) _____
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- (1225)

[*Translation*]

The Vice-Chair (Ms. Francine Lalonde): We have heard from the witness. She just sent an email. She was not given the right address. Consequently, there will not be a video-conference. It is the company in London that made the mistake, which means we will not pay.

This puts an end to the longest meeting I have chaired.

The meeting is adjourned.

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