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Chair

Mr. Michael Levitt

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● (0850)

[*English*]

The Chair (Mr. Michael Levitt (York Centre, Lib.)): Good morning, everyone. I'm going to call to order the 135th meeting of the Standing Committee on Foreign Affairs and International Development.

We are privileged to be joined this morning by representatives from the Global Fund as they head into their sixth replenishment cycle, which will be happening later on this year in Lyon.

This is our annual update, because I think it's clear to members around this table—and to everybody following this hearing this morning—how important and what a priority the Global Fund is for Canada.

As background, the Global Fund was established as a public-private partnership in 2002. It brings together governments, communities, international development organizations, civil society organizations, the private sector and people affected by the three diseases to accelerate the end of AIDS, tuberculosis and malaria as epidemics.

The Global Fund has certainly been a priority for successive Canadian governments. We're looking forward to hearing the update this morning. I want to introduce our three representatives from the Global Fund. We're going to have Françoise Vanni, director of external relations. We're going to have Loyce Maturu, and we're going to have Scott Boule, senior specialist of parliamentary affairs. Ms. Maturu is the network speaker and advocacy officer.

It's my understanding, Ms. Vanni, that you will be presenting opening remarks. Can I ask you to take about 10 minutes? I know there are going to be many questions from members who are very interested in hearing from you directly.

Ms. Françoise Vanni (Director of External Relations, Global Fund To Fight AIDS, Tuberculosis and Malaria): Thank you very much, Chairman Levitt, Vice-Chair O'Toole, Vice-Chair Caron—he's not here yet—and honourable members of the committee for the opportunity to address you today.

My name is Françoise Vanni. I'm the new director of external relations for the Global Fund. I assumed the role last September. I know many of you worked with my predecessor Christoph Benn, who had been working in that position for many years and has testified in front of this committee many times. He has conveyed to me the strong support the committee has consistently provided to the Global Fund. I look forward to getting to know all of you in the many years to come.

On behalf of the Global Fund and our partners, I would like to begin by expressing our profound gratitude to Canada for your long-standing support for our work and the leadership in the fight against HIV, TB and malaria. Canada is a founding donor of the Global Fund and has always played a crucial role in our success. Our fifth replenishment, hosted by Canada in September 2016, was the most successful ever, with pledge commitments increasing substantially for the three-year cycle that began in 2017. Support from the Canadian government, including our allies in Parliament, was essential to producing this great result.

Canada was a leader in pledge increases as well, providing a 24% increase over your previous pledge and our seventh-largest pledge commitment overall. We take very seriously the responsibility to report back to you regularly regarding the returns of those investments and the need to work with you to ensure Canadian citizens know the immense value of contributions to the Global Fund, as well as the major role such investments are playing in achieving the 2030 sustainable development goals.

The Global Fund is the world's largest global health financier, investing nearly $4 billion U.S. a year. Since our creation in 2002, Global Fund-supported programs have saved over 27 million lives. This accomplishment includes helping to cut AIDS-related deaths in half since the epidemic's peak in 2005, contributing to a 25% decline in TB deaths and a 45% decline in malaria deaths since 2000. In 2017 alone, in the over 100 countries where we operate, 17.5 million people received antiretroviral HIV therapy, five million people were treated for TB and 197 million insecticide-treated bed nets were distributed to prevent malaria. In total, we provide the majority of the international funding to combat these three diseases: 20% for HIV/AIDS, 65% for TB and 57% for malaria. Two-thirds of our funds go to countries in sub-Saharan Africa where HIV and malaria are most geographically concentrated, along with nearly half the global TB burden.

Ultimately ending these epidemics will only be achieved with sustainable health systems that are fully funded by the countries themselves. Through our co-financing policy, the Global Fund requires recipient countries to consistently increase domestic investments in their national health systems. This effectively leverages budget increases in domestic financing for health. In the 2015-17 funding cycle such commitments increased by 33% compared with 2012-14. During the current 2018-20 cycle a further 41% increase is projected. The Global Fund has achieved these results while consistently receiving strong reviews for performance, efficiency and transparency.

However, after years of remarkable progress in the fight against the three diseases, new threats have pushed us off the trajectory needed to reach the SDG targets. For example, as I am sure you are aware, gender inequality is a major driver of disease, particularly HIV. An estimated 1,000 adolescent girls and young women are being infected with HIV every day. Canada's commitment to a foreign policy focused on gender equality is therefore the right approach and essential for progress against HIV, and it's very well aligned with the Global Fund's mission.

The Global Fund partnership is scaling up investments to meet this challenge, including by strengthening linkages with education and supporting interventions to reduce gender-related barriers to HIV services. For example, in South Africa we support a program run by peer group trainers that provides counselling, HIV prevention education and academic support to over 61,000 girls to help them stay healthy and stay in school. Together with partners, the Global Fund has set targets to reduce the number of new infections among young women by 58% in 13 African countries over the next five years, which is rather ambitious.

● (0855)

Other obstacles that threaten continued progress include the growing threat of drug-resistant TB and the 3.6 million “missing” TB cases that are not being diagnosed every year. Also, more than one-third of people living with HIV are still not accessing treatment, and marginalized populations are 28 times more likely to contract HIV. We are also seeing a recent increase in malaria cases, especially in the highest burden countries.

I can go into many more details regarding our investments that respond to these challenges during today's discussion, but fundamental to addressing them all is building resilient and sustainable systems for health. As a result, 27% of our investments, or about $1 billion U.S. annually, goes toward fundamentals such as improving procurement and supply chains, strengthening data systems, training the health workforce, building stronger community responses and promoting more integrated service delivery. Building stronger health systems is the foundation for progress toward universal health coverage, and this annual investment makes the Global Fund the largest multilateral grant funder worldwide for these vital needs.

In February, we launched our sixth replenishment campaign at a preparatory meeting hosted by the Government of India in New Delhi. This event brought together governments, donors, technical partners, civil society groups and people living with the diseases in a demonstration of global solidarity. Pledge commitments for this replenishment will cover the three-year cycle from 2020 to 2022. I'm grateful to have the opportunity to discuss the investment case that was released at that meeting.

Our message during this replenishment campaign is that we need to step up the fight. We need to step up the fight to get back on track if we are to end HIV, TB and malaria and achieve SDG number three: health and well-being for all.

To get back on track to reach the SDG target of ending the epidemics by 2030, the investment case identifies a fundraising target of at least $14 billion U.S. to fund programs to fight the three diseases and build stronger health systems in the next three-year cycle. This level of funding will build on the success of the Montreal replenishment by saving an additional 16 million lives and averting an estimated 234 million infections by 2023, reducing both mortality and incidence rates by approximately one half.

Canada has consistently increased its contribution to the Global Fund each replenishment cycle. Thank you for that. I hope that our strong partnership will translate into another increased pledge in the sixth replenishment. The ongoing multi-party support we receive has been essential for achieving the remarkable progress of the last 17 years, and it will be indispensable to step up the fight this year and get back on track.

I'm very pleased to be joined today by Loyce Maturu, who was a featured speaker during the fifth replenishment conference in Montreal. I'd like to invite her to say a few words about her experiences living with HIV and her work with the Global Fund.

Ms. Loyce Maturu (Network Speaker and Advocacy Officer, Africaid Zvandiri, Global Fund Advocates Network): Thank you.

I'm truly humbled and honoured to be here today, being in a room with so many respected people. I would like to see all protocols observed.

My name is Loyce and I live in Zimbabwe. In 2000 I lost both my mother and my younger brother in the same week due to AIDS-related illnesses, and it was one of the most devastating moments for me, losing the people who were close to my heart.

In 2004 I started getting severely sick. I was coughing a lot and I lost weight. By that time, I was only 12 years old. That's when I was sent to the clinic and it was found that I had tuberculosis and HIV. Knowing about it was one of the scariest things, because back then people knew that if you had HIV you were going to die anytime soon.

When I found out about it, I cried. I lost all of my confidence and I thought I was going to die, just like how my mother and my younger brother passed away due to AIDS, but I am very lucky that I was one of the fortunate in 2004. I managed to get access to tuberculosis treatment from a Global Fund-supported clinic. If it were not for the Global Fund support in Zimbabwe, I would not be here today.

On that note, I would really like to thank Canada for investing in the Global Fund over the past years, because it also contributed to my being alive and healthy today—and not only me, but millions of people across the world who are being supported through the Global Fund.

With your leadership here, we're really looking forward to your supporting us and pushing this agenda to make sure Canada continues investing in the Global Fund so that no babies will be born with HIV, just the way I was. No child should stop school because they're sick, because we know what needs to be done. We must make sure that no one feels they cannot access treatment, because we know what can be done for someone who accesses antiretroviral therapy or tuberculosis medicine, and this can only be done if Canada continues investing in the Global Fund.

With those words, I would like to say thank you very much.

● (0900)

The Chair: Let me say, Ms. Maturu and Ms. Vanni, thank you for your opening remarks.

Ms. Maturu, thank you for making the journey here to share your story with us. It's certainly inspirational and so important that we hear the real consequences of the actions being taken by the Global Fund. I know that is something that's going to stick with all members around this table and everybody listening this morning.

With that, and without delay, MP Aboultaif, the floor is yours.

Mr. Ziad Aboultaif (Edmonton Manning, CPC): Good morning.

Thanks for being here this morning.

You've listed an increase in problems out there, and the challenges are just growing. You've put 2030 as a target year for ending the epidemic of TB, AIDS and HIV. We know that money is always needed, and the population growth is also.... It's hard to catch up at some point. How optimistic are you that you will achieve ending these problems by 2030 if the funds are available?

Ms. Françoise Vanni: The objective of ending the epidemics by 2030 was set up by the international community in 2015. This is the promise that, in some way, the world has made to itself and to future generations based on global plans that obviously include technical partners: WHO, UNAIDS, Stop TB, and Roll Back Malaria. We have robust plans to get there. We have some tools that we know work, exactly as Loyce was referring to, so it is possible.

We have a good track record of achieving results. We do have the recipe. We know what works. We know the challenges ahead. We have the plans. We have the promise, but we need to step up.

At the moment, we are at this juncture where either we step up and we will be able, indeed, to achieve the 2030 target of ending the three diseases as worldwide epidemics, or we don't and then we will go backwards and we will see the number of deaths and the number of new infections and cases increase again. We are not going to stand still.

We are optimistic, provided that the world keeps its promise and steps up the fight. From our end, we are also very motivated to work better, to accelerate the way we work, to accelerate our partnership, to accelerate innovation and to make sure we execute the programs in the best possible way. This is also our promise.

Mr. Ziad Aboultaif: Perhaps I could ask you to highlight, in a specific way, the most significant steps in the plan that are really going to achieve the result that is being looked for. We could reach 2030 with all the money requested and still be standing, looking back and saying that we still have a problem: “How do we move forward? What can be done? We need more money.” Maybe other problems might show up, and then we would still have to deal with those.

I would really like it if you could be specific about one or two highlights of the plan that we could list and make note of to at least be able to understand as a contributor, as Canada, and be confident that you're going to achieve your goal at the end of the day.

● (0905)

Ms. Françoise Vanni: I will highlight two or three things that are very important.

One is the focus on health system strengthening, meaning that we are not only working towards the three specific diseases, but we know from experience that we need to build health systems in order to end the epidemics. Therefore, the systems are supposed to be sustainable to deliver other health outcomes and development outcomes for the country.

Health system strengthening is key to the sustainability of our efforts. We are investing about a fourth of our current investment in that area—about $1 billion U.S. a year, which is very significant.

The second element towards sustainability and towards ensuring that there is a future is the fact that we are catalyzing domestic resources for help through our co-funding requirements. This means that each time we allocate a grant to a county to fight the three diseases, we also require them to step up their own efforts, and their own funding for the fight against these three diseases and for building their own health systems. We've been very successful in doing that.

In the current investment case, we are projecting an increase of 48% of domestic resources for health. We expect implementing countries to actually invest most of the resources that are needed to step up the fight and end the epidemics by 2030. If we are requesting at least $14 billion for the Global Fund, we are in fact expecting the implementing countries to invest $46 billion, which is much more.

This is increasing and making our efforts sustainable through this catalytic effect. As a testimony of that, we also have a sustainability and transition policy. Some countries transit through multi-year plans towards picking up the responsibility of taking care of the fight against these three diseases by themselves. This is a testimony of how countries become responsible and pick that up.

Mr. Ziad Aboultaif: Thank you.

The Chair: Thank you.

MP Saini is next, please.

Mr. Raj Saini (Kitchener Centre, Lib.): Good morning and welcome.

Loyce, thank you very much for those very impactful and profound words.

I have two questions. The first question I have is on drug resistance, which I think is important to discuss. I know there are initiatives right now, with the Drugs for Neglected Diseases initiative that is working very hard, especially for those diseases that have been neglected. I think there are 12 or 13. I really like the model because it's an open science model.

More importantly, on going forward and hitting your SDGs, drug resistance will play a big role when you look at the parasitic resistance or the mosquito resistance. It's one thing to supply the drugs, but if the drugs aren't effective.... Have there been any discussions on dealing with that aspect of the problem?

Ms. Françoise Vanni: Yes. In the case of tuberculosis—to pick up the most worrying example among the three diseases—we face very significant global health security threats with multi-drug resistant TB. Multi-drug resistant TB represents a third of the antimicrobial resistance-related deaths in the world. One-third are related to TB. This is, indeed, a very important issue.

To give some sense of the scale, in 2017 there were 558,000 new cases with resistance. We see that as a threat for people living with TB, obviously, but also a global threat because it could easily spread.

We are investing in research in that area, together with Unitaid. We don't do research ourselves, but of course we work with partners. We are working very closely with Unitaid to come up with new solutions—new drugs—to improve the treatment for multi-drug resistant TB. The treatments so far are very long, not very successful and very painful for the patients, so a lot more definitely needs to be done in that area.

Mr. Raj Saini: My second question relates to capacity building. One of the things that you have noted you want to do is to strengthen the health capacity and the delivery model, but to do that you need a functioning economy. You invest money locally in a health system, or in a country, but you can't continually invest in it. It has to be self-sustaining eventually.

Right now, I've looked at your top 10 donor list, and I don't see China on that list, yet I know that the greatest bilateral trade between sub-Saharan Africa and China is more than $120 billion. One thing is that the trade is one-sided because the trade is mostly extractive resources. You're creating this Dutch disease in many African countries, so the capacity to invest back into the system to keep it self-sustaining....

Has there been any attempt to engage China to say that this is a situation where we need their help? They have certain talents and skills. They are already in those affected countries. Sixty-five per cent of people who suffer from these three diseases live in sub-Saharan Africa, although China is the largest investor in their economy.

Has there been any attempt to engage China to help with this situation?

● (0910)

Ms. Françoise Vanni: Absolutely. Thank you very much for the question.

China stands at this stage as number 20 in terms of cumulative contributions to the Global Fund, since its inception in 2002. We are engaging with them very actively.

I think we are engaging with them probably more than before, exactly along the lines that you are indicating, meaning, how they can scale up their financial contribution, as a growing economy that is able to contribute more to the fight against the three diseases in the world but also leveraging their capacity and presence.

At the moment we're discussing a core funding modality focusing on malaria in west Africa, exactly building on what you indicated. They are building trade agreements and have a strong presence there, in some capacity. They are interested, indeed, in investing more in building health systems and fighting malaria.

Mr. Raj Saini: My final question is this. I've noticed that at the last replenishment conference there was $12.9 billion, yet only $600 million of that was from private sponsorship, especially from one organization. You're looking at your sixth replenishment conference for the 2020-22 period. You're asking for $14 billion, but you want $1 billion of that to be private sponsorship.

I read somewhere that the amount of money available for private philanthropy around the world is more than $50 billion U.S. Has there been no attempt to garner more private sponsorship, or leverage more of that money?

Ms. Françoise Vanni: The Global Fund is a public-private partnership. I have to confess that I was surprised that we were not doing more in that space because we have a wonderful value proposition from the private sector to engage and contribute to the fight. This is definitely something that we are working on increasing. We have set up this target for the sixth replenishment to raise at least $1 billion from private sector sources.

We now have different work streams to engage with the private sector. One is with corporations themselves, where we expect them to contribute with money, but also with expertise and capacities, which is very important—innovation, in particular. We are also working with philanthropists, foundations and high net-worth individuals. Those are the two streams.

It does take some time, of course.

Mr. Raj Saini: Thank you.

The Chair: MP Duncan is next, please.

Ms. Linda Duncan (Edmonton Strathcona, NDP): Thank you very much.

Thank you for appearing before us.

Loyce, thank you for coming all the way from Zimbabwe. I visited your beautiful country in 1986, when the country was in I'd say a much more positive and different situation. Thank heavens we've been able to keep you healthy.

You have reported that Canada is the seventh and I understand that's in the G7. What's the differential between the top donors in the G7 and what Canada's giving?

Ms. Françoise Vanni: The top donor in cumulative terms is the U.S., providing $1.3 billion.

Mr. Scott Boule (Senior Specialist, Parliamentary Affairs, Global Fund To Fight AIDS, Tuberculosis and Malaria): That's right. It's $1.35 billion a year, or $4.3 billion over the three-year replenishment cycle.

Ms. Françoise Vanni: Yes.

Canada in last place was $804 million Canadian. I cannot do the math just off the top of my head.

Ms. Linda Duncan: It's encouraging that Canada is giving a 24% increase, but of course we're still only at one-third of what we should be donating globally. We'll just keep the pressure up, because Canada can afford to give more, not just to the Global Fund, but obviously the Global Fund is in need.

I'm curious to follow up a bit more and Loyce may be able to speak to this. You spoke a bit to the significant blockages and barriers to being able to reach everyone. Obviously money would be one. I wonder if you can speak to whether some of the problems are simply the denial of the problem.

When I travelled at the same time to Malawi, the Government of Malawi was denying that they even had HIV. I'm wondering if there's still some vestige of that, of the government not admitting to the scale of the problem, particularly in diseases like HIV. Is it also a problem that we're simply not addressing poverty or education?

I'd love to hear from Loyce.

● (0915)

Ms. Loyce Maturu: Thank you so much for the question. For Zimbabwe, it's very different. The government is really not denying that there is a huge problem. I would like to highlight that over the years, a lot of people were dying because there wasn't so much support in terms of people accessing tuberculosis or HIV or malaria treatment. But because the Global Fund intervened, a lot of people are now surviving. When my mother and my younger brother passed away, the Global Fund wasn't in the country at that time. I witnessed so many deaths including my mother's and my younger brother's.

I was very fortunate to be among the thousands in Zimbabwe who managed to get access to tuberculosis treatment, which is all contributed by Canada and other donors around the world. I would like to reflect that in Zimbabwe, there are about 1.4 million people who are living with HIV, and because of the Global Fund, we are now at 1.1 million people who are on antiretroviral therapy. We can see the gap in that there's so much that needs to be done in terms of investment so that we can be able to reach those who are remaining.

Coming back to an issue as well, when you look at adolescent girls and young women, we are the ones who are disproportionately affected by the epidemic, and it's so sad that a lot of girls have to drop out of school for economic reasons, cultural reasons or child marriages that are happening especially in sub-Saharan Africa. This also puts us at risk. If you look at Zimbabwe as a country, an estimated 16,000 adolescent girls and young women are affected every year.

We know where the problems are. We know where the challenges are and we know how they're addressed but it really needs countries to really invest in the Global Fund so that it can help build strong health systems to make sure that we decrease the rate of infection among the people who are most affected.

Really there is so much that we need to step up the fight.

Ms. Linda Duncan: My understanding is that the Global Fund not only helps to provide medicines to people who have contracted these diseases, but do you also work in the area of trying to prevent the spread, for example, of TB or prevent people contracting malaria? Is there more that could be done about that? Again I go to the issue that, even in our country, they say that one of the main causes of illness is simply poverty. I would like to hear more about that, about the bigger analysis of why it is that we haven't been able to address these problems yet.

Ms. Françoise Vanni: If you look at the results achieved by the Global Fund and the challenges ahead, it's very clear that we collectively as a partnership have achieved great results in saving lives but we haven't achieved enough in terms of reducing the incidence rates across the three diseases. This speaks very much to your point about the importance of prevention.

We do invest a lot in prevention. The way we do it varies country to country because we are country-driven. We work according to the needs and the capacity of a particular country, so it varies accordingly. For example, for malaria, most of our investment is actually to provide insecticide-treated bed nets, which is essentially prevention.

To go back to HIV, we have been led to very much diversify the way we operate, because in order to prevent new infections among adolescents and young women, for example, it's not a matter of biomedical intervention. It has to do so much with human rights barriers, gender inequalities, poverty, dropping out of school and so many structural issues that have taken the Global Fund a bit out of its traditional territory.

This is why we have new partnerships, in order to make those linkages with education in particular to the point that we literally provide cash to young girls so that they don't need to drop out of school to work outside school and put themselves in a more vulnerable situation and, therefore, be much more at risk of contracting HIV. That's a long way from biomedical interventions, but this is what needs to be done. There's a lot going on in that area.

The other thing that I would like to highlight is that one of the specificities, one of the unique characteristics, of the Global Fund is that we have the communities living with the diseases and the civil society actors inside our governance, at a global level but also in countries, which allows us really to listen to and take into account and respond to the needs of those communities. This is where the smartest prevention approaches can be designed, listening to how it works and how you take into account the characteristics of the particular communities. I think this is also very important to the success.

● (0920)

Ms. Linda Duncan: Thank you.

The Chair: Thank you.

We'll move to MP Vandenbeld, please.

Ms. Anita Vandenbeld (Ottawa West—Nepean, Lib.): Thank you, Chair, and thank you very much, all of you, for being here and for the vitally important work you're doing.

In particular, Ms. Maturu, I'm very impressed. Thank you for your courage, particularly for dedicating so much of your time to making sure that others are also able to live their lives in the same way that you have now had a chance. Thank you so much for being here.

I want to follow up quickly on Ms. Duncan's question about the 24% increase that Canada did last year in the Montreal replenishment. Per capita, where does Canada stand if you look at the population compared to some of the other countries?

Ms. Françoise Vanni: I know Canada is the seventh-largest donor in relative terms. In economic terms, I wouldn't know that off the top of my head.

Ms. Anita Vandenbeld: Perhaps that could be provided.

Ms. Françoise Vanni: We can come back to you with that.

Ms. Anita Vandenbeld: That would be wonderful. Thank you.

You spoke about the unequal access to treatment and to health services, particularly for marginalized groups, and particularly for girls and women. I also noted that you've spoken about the need for country ownership and sustainability.

How do you ensure that when there is ownership and it's driven by the local priorities, those priorities do include those marginalized groups, rural people or people who otherwise might not even have access to proper health care, let alone treatment for these diseases? What is the Global Fund doing for that?

Ms. Françoise Vanni: At the strategic level, addressing human rights barriers to health and gender inequality is one of the four pillars of our strategy. This is really important, because we understand this is one of the key drivers of the three diseases. If we don't tackle human rights barriers, we won't end the epidemic, so this is extremely important for us.

It is part of the way we review the funding requests we receive from the different governments, and it is part of the national dialogue we have within the country coordination mechanisms where all the stakeholders in particular countries are involved, and where it's so important to have the communities' voices and civil society's voices heard as well. This is part of the ground management process, in a way, where we very much encourage and push for those human rights barriers to be addressed.

To be more specific, I want to highlight in that area an initiative we have that is called “breaking down barriers”. It develops baseline assessments of those human rights-related barriers to access to health. We've done those assessments in 20 countries. Based on those assessments, we have started having dialogues with the authorities and in different circles about how to go about it. We have been positively surprised to see the response from the authorities in many of those cases, because when they are faced with the data and they understand the implications in terms of public health, that drives the conversation.

We have allocated an extra $45 million U.S. in matching funds to scale up evidence-based programming, based on those findings and recommendations.

As I mentioned before under prevention, that takes us into new territories such as training for law enforcement officials and health care professionals, as well as legal literacy or know-your-rights programs.

● (0925)

Ms. Anita Vandenbeld: Thank you.

Ms. Maturu, could you put in your own words why you think it is important? When Canadians are looking at all the priorities that Canada has, why is it important for Canadians that we invest in this?

Ms. Loyce Maturu: In my personal view, I feel that it's really important, because hosting the fifth replenishment was really a success. There is another replenishment this year in October, and it would be really amazing to have the Canadian government continue their promise to invest or pledge within the Global Fund to make sure that there wouldn't be another Loyce who is infected with HIV, that there wouldn't be another child who has to stop school the way I did because they're feeling very sick. We know what needs to be done to make sure that every child has access to treatment and to make sure that no child has to lose a parent or a brother or sister because of HIV or tuberculosis.

That's why it's really important for Canada to continue its investments towards the Global Fund.

Ms. Anita Vandenbeld: Thank you.

Do I have time left?

The Chair: You have one minute.

Ms. Anita Vandenbeld: I'd like to share with Mr. Wrzesnewskyj.

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Thank you.

There is a misconception that these are strictly diseases of sub-Saharan Africa. About six years ago, prior to the start of the war in eastern Ukraine, I was involved in a project that was about to get off the ground, dealing with the HIV/AIDS epidemic in eastern Ukraine.

Most people don't realize that rates of HIV/AIDS in Ukraine at that time were about 1.4%, similar to rates in sub-Saharan Africa, but in particular in the Donbass, the region that currently has been invaded militarily by Russia and is at war. The rate at that time was approximately 6%, which is close to the rates in some of the worst-hit areas of southern Africa.

I am just curious. In the Donbass itself, a small sliver of land like the region between Ottawa and Toronto, there are approximately 300,000 people infected by HIV. There have been approximately 20,000 babies born with HIV, so I am curious as to whether or not you have any programs targeting that particular region.

It's a difficult region currently because it's in a state of war, but is there anything your organization is doing to target this epidemic in that part of eastern Europe?

The Chair: Ms. Vanni, I'll just get you to give a fairly brief answer to that one. Maybe we can come back to it, but the time is running short.

Ms. Françoise Vanni: Sure. I will need to come back to you on the specific region you were mentioning, but in general we do have the ability to intervene in conflict-affected areas when the epidemics are growing, linked to circumstances like the ones you are indicating. We have a challenging operating environment policy that allows us to step in and ensure that the most affected populations do get the treatment they need.

Mr. Borys Wrzesnewskyj: Are there no workers on the ground in that region?

Ms. Françoise Vanni: We don't have workers on the ground ourselves. We are all based in Geneva, but we have partners.

On this particular region, as I said, I will need to come back to you because this is led by our ground management colleagues. I will need to look at that in particular.

The Chair: Thank you very much.

MP Baylis is next, please.

Mr. Frank Baylis (Pierrefonds—Dollard, Lib.): I am curious. You touched on this a few times, how there must be a stabilization effect, or the fund.... When you come in and you start helping people on these medical things, how does it impact the political situation? It's sort of a lead-on from what Borys said. How is the interaction, and have you had great wins there?

Ms. Françoise Vanni: That is a fantastic question.

I would not be able to refer to longitudinal research to document that, but certainly investing in health has a multiplier effect on the wider development prospects of a country. In the investment case, we have calculated that an investment in the Global Fund brings a return on investment of 1:19. That is the rate that we have calculated in terms of health but also of wider economic outcomes for the country, so the—

● (0930)

Mr. Frank Baylis: That is a 19 times multiplier.

Ms. Françoise Vanni: That is 19 times, yes. This is well documented by independent experts.

The contribution that an investment in health and in the Global Fund in particular brings to the development outcomes of a particular country is well documented. I would assume that also has implications in terms of the stability of that—

Mr. Frank Baylis: When you come, you come with both money and expertise, I assume. You don't just come with a cheque. Is that right?

Ms. Françoise Vanni: Yes, we don't come with only a cheque, indeed.

If we look at it from the point of view of governance, we have country coordination mechanisms. These are spaces where the different stakeholders in a particular country meet and discuss national health plans in terms of ending the three epidemics and building health systems.

That creates a space where effective governance happens. You have the ministers of health, you have civil society, you have the private sector and you have the bilateral donors. All of that drives the decision-making in particular countries. I would say that it also contributes to protecting a space for a national dialogue, including participation from civil society groups.

Mr. Frank Baylis: Not just health but all types of players come together—

Ms. Françoise Vanni: Yes.

Mr. Frank Baylis: —even though it's under the auspices of this particular fund.

Ms. Françoise Vanni: It is a particular focus. That's the multiplier effect of the Global Fund intervention in development outcomes but also in participation from the different actors from those countries.

Mr. Frank Baylis: You talked about the $14 billion you're looking for now. Is that $14 billion over three years? You're looking to have us at your replenishment event this October. The $14 billion, do you want that now, or is it over three years that you want $14 billion? I'm just trying to....

Ms. Françoise Vanni: We work through a three-year funding cycle, which allows us and the implementing countries to plan ahead. It's very important to be able to plan a national malaria plan over three years as opposed to one year. Every three years we have this replenishment conference where we expect all of our donors and partners to pledge, which means to commit to provide a certain amount for the following three years. It doesn't mean that the amount is paid at that particular moment, but the political commitment to pledge is made there, and then the payments usually happen every year for most of our donors.

Mr. Frank Baylis: You're looking for a pledge of $14 billion this October.

Ms. Françoise Vanni: This is our target, to get at least $14 billion in pledges.

Mr. Frank Baylis: That's to cover a three-year period.

Ms. Françoise Vanni: Yes.

Mr. Frank Baylis: What was it last time? How much did you collect last time?

Ms. Françoise Vanni: Last time it was the most successful replenishment ever. It was here in Canada. We are very, very grateful to the Government of Canada for that. We got $12.9 billion in pledges at that time, in 2016. Then you have exchange rate variations, right? So if we applied an exchange rate by the end of last year, that would be equivalent to $12.2 billion, which means to go from $12.2 billion to $14 billion, which is the target this time around, we need a 15% increase across the board from our donors.

Again, it's the effects of foreign exchange variations, but that gives you a sense of the increase that is needed to reach the target.

Mr. Frank Baylis: I know I'm running out of time. I'll be quick.

For a specific ask, vis-à-vis some of the questions my colleagues have asked, it seems to me that Canada is doing its fair share at seventh place, but it would be good if we added 15%. Would that be a fair thing you'd be asking for?

Ms. Françoise Vanni: There are a few things here. One is to remind ourselves that the G7 has seen the birth and has created the Global Fund. As of today G7 members still constitute about 75% of our income. If we are to increase the investment made through the Global Fund by 15%, it needs to come also from the G7 countries. Otherwise, it just wouldn't add up.

In terms of Canada's commitment, what we have seen is that Canada has consistently increased it's contribution replenishment after replenishment, which is quite remarkable. We would very much hope that, this time again, Canada would be able to step up and provide an increase of at least 15% to be able to make up for the overall needs.

● (0935)

Mr. Frank Baylis: That's to help meet this goal of $14 billion.

Ms. Françoise Vanni: Yes. That would be our ask.

Mr. Frank Baylis: My friend here is going to write you a cheque.

Voices: Oh, oh!

Mr. Frank Baylis: Sorry, Borys, you weren't paying attention, were you?

Mr. Borys Wrzesnewskyj: I didn't realize....

The Chair: Thank you.

MP O'Toole is next, please.

Hon. Erin O'Toole (Durham, CPC): Thank you very much, Mr. Chair.

Thank you very much, witnesses.

As the foreign affairs critic, I usually defer to my colleague who's our international development critic, but I wanted to weigh in on how refreshing it was to have you here. The Global Fund is one of these rare things in Ottawa these days for which there's support on all sides of the House of Commons, and I think it's an important part of Canada's diplomacy.

I wanted to thank you for your presentations, particularly Ms. Maturu.

Ms. Loyce Maturu: Thank you.

Hon. Erin O'Toole: You represent the immense potential that can be tapped if we address the crisis of some of the conditions—AIDS, TB—that the Global Fund targets. My one question before passing back to my colleague would be this, because I admire your being here and now being a champion. The support you received, breaking it down on an individual basis, how much would the support to make you well have cost?

We talk about billions here, but if you actually look at some cases, how much would treatment or some sort of medication be for an individual person? Just see what she's able to do for the wider cause now. How does it break down, whether TB or HIV, on an individual basis? Are we able to get the costs down so that the treatment for a person...? We're looking at hundreds of dollars, and then we get them being champions like Ms. Maturu.

I think sometimes eyes glaze over with big numbers, but on an individual basis it's really quite remarkable how this intervention not only saves lives but helps create a champion.

Ms. Françoise Vanni: Out-of-pocket payments are a very big issue, because, of course, either you can pay for your individual treatment or you can't. It's difficult to say how much that would be because it varies so much from one country to another.

I don't know what Ms. Maturu's personal experience has been with accessing treatment that she can speak of, but globally one of the things I want to share with the committee is that we have a very effective pool procurement mechanism set up at the Global Fund that has allowed us to drive down the prices for those critical drugs quite dramatically. If I take the example of antiretroviral therapy, back then, the cost of one year of treatment would have been around $10,000 U.S. a year per person, and it is now down to as low as $72 U.S. a year per person, so imagine.

It's a dramatic decrease that has been enabled by these globally pooled procurement mechanisms that we drive and that have been supported, by the way, by Canada. We have an online platform call wambo that benefits from your support to facilitate those pooled procurements.

Hon. Erin O'Toole: That really brings it into perspective. For a relatively small amount you're actually changing lives, and then those lives can transform the wider challenges facing their country.

We found that as well with the Muskoka initiative of the G7 hosted by Prime Minister Harper, where the child and maternal initiative, in some cases, was a few dollars and produced health outcomes that were remarkably positive.

Thank you for being part of this and bringing a personal touch to it. I'll pass it back to my colleague, Mr. Aboultaif.

Mr. Ziad Aboultaif: Thank you. That was a good question.

You mentioned that a quarter of the investment is going into sustainable health systems. That is on page 42 of your report. Also in the report, in figure 12, I have the investment case document, labelled “Direct and Contributory Investments in Building Resilient and Sustainable Systems for Health, 2014-2016 Funding Cycle”. The first part shows a total allocation of 28% and then shows us another of 72%.

You also mentioned prevention as a solution or as one of the plans that you have. It definitely makes sense. What other measures are there? What are you doing beyond prevention to improve the system, again going back to the graph here on this page? I would really like to hear, beyond prevention, what other stuff you think you will be doing to deal with this whole problem.

● (0940)

Ms. Françoise Vanni: To be very specific, in strengthening health systems we invest about 28%, about $1 billion U.S. a year. What we do within that, again, varies greatly from country to country. There is no one-size-fits-all. That's very important to understand. It's not that we come into a country and say they need to do A, B, C and D. It really varies, bearing in mind that we invest in countries that are stable, middle-income, and we also invest in countries that are not stable and very low-income.

In the menu of things that are super important to strengthening health systems, you would have to make sure that the health workforce is well-trained, particularly the primary health care workforce, the ones going to the villages, to the most remote areas, to make sure that people are diagnosed and treated if they need to be treated. Most of the investment goes to that area.

The other one is data. It's extremely important as well, because if we don't know what is going on in epidemics in a country, it's very difficult to target the investment and make sure we get the most impact out of that. Of course, when we strengthen data systems, it's not only for the three epidemics. It serves their entire health system and, therefore, also the prevention and treatment of other diseases and other health issues, such as vaccines and otherwise.

Procurement and supply chain management are extremely important as well. It's not that we build completely separate systems to procure ARVs, antiretrovirals, for a country. Normally we work very closely with national authorities and the other health partners to make sure that we build a supply chain system that works across the health sector.

A lot of effort will be put into building financial management capacity in the countries. This is obviously essential to ensure that the investment is well spent, and that we follow the money. There is investment in that space as well.

Another element that I didn't mention, which is absolutely key, is that we very much strengthen the integrated service delivery, meaning most of the time we get the question of how we coordinate with other global health actors: WHO, GAVI and others. When we train a health extension worker in Ethiopia, say—a woman who is going to the remote areas—she is not going to treat only the three diseases. She needs to be able to provide a package of primary health care and be able to integrate the different services that are needed. That's also a way through which we strengthen health systems.

The last part is that we contribute greatly to strengthening community response to these diseases and to these health issues more generally. In many countries where we work, this is absolutely essential to fighting the three diseases.

These are the different elements, and their proportion varies according to the needs and the contexts.

Mr. Ziad Aboultaif: Thank you.

The Chair: Thank you.

I'm going to take a couple of minutes to ask you a final question. It's related to a topic raised by my colleague earlier, which was around crisis management and the ability of the Global Fund to activate in humanitarian crisis situations.

I want to reflect for a moment on the situation in Venezuela. A report jointly authored by Human Rights Watch and the Johns Hopkins school was covered in the news this morning in the U.K. It's reflecting on the need for the UN to declare a humanitarian crisis in Venezuela, because of the complete meltdown of health care services there.

In particular as it relates to the areas covered by the Global Fund, the cases of malaria have increased over tenfold over the last number of years, with over 400,000 reported cases in 2018, I think it was. Again, we know there's a focus and when we look at the dispersal of services, sub-Saharan Africa certainly seems to be the largest area. I know quite a small amount was going to South America, Latin America.

Can you talk to us a little about the availability of the Global Fund to react in a crisis situation, maybe even particularly in the case of Venezuela? As we heard in this committee just the other day about the situation facing the population, both those fleeing the borders—and we know that borders don't matter where these sorts of diseases are concerned—and those under the repression of the Maduro regime. The health impacts on the population have been dramatic and horrific.

● (0945)

Ms. Françoise Vanni: It's obviously extremely important for the Global Fund to be able to respond to emerging crises and changing environments, such as the case you are referring to in Venezuela.

I would say a few things before going back to the specific crisis. One is that we do have the ability to work in challenging operating environments, where we invest about a fourth of our total investment. That's very significant. Borders do not matter. We try to make sure that we follow the people who need the support and treatments. Even in massive displacement crises like the one in the Middle East, for example, we are able to ensure that people get the treatment they need.

In the case of Venezuela, we have checked. In September of last year, the Global Fund approved $5 million U.S. in grants, to ensure the procurement of critical health products, including antiretrovirals to treat HIV. The donation has arrived in Venezuela and has already been distributed to ARV dispensing sites. People have started to receive those drugs. We are constantly monitoring the situation and working with partners on the ground to see what else would need to be done to address this particular crisis.

Venezuela is a good case where we have been able to intervene despite the fact that Venezuela is not an eligible country for Global Fund grants anymore. It graduated a long time ago, as did many of the countries in Latin America. Despite the fact that it's not eligible in principle, we have the ability to be flexible and to intervene in these sorts of emerging crises, to ensure continuity to the treatments.

I do have the answer on Ukraine as well. There is indeed a program, run by Alliance for Public Health, an NGO working with development partners and the Ukrainian government to ensure the continuity of services—pretty much in the same line as what we're doing in Venezuela—and in particular, bringing services to people living with or at risk of HIV and TB. The executive director of that organization is a member of our board, so there is intervention in that particular context as well.

The Chair: Thank you very much for being here today. I know there were a number of other individuals, representing other interested parties, who came to hear your testimony as well, so we thank them for their presence too.

This was certainly a very important reflection and analysis of Canada's contribution and the incredible work being done by the Global Fund. That was reflected in the questions from all members.

With that, we are going to suspend, because we have some other committee business to handle.

I would like to thank you all. In particularly, Ms. Maturu, thank you for your contribution, and for telling us your story here this morning.

Ms. Loyce Maturu: Thank you.

The Chair: We will now suspend.

[*Proceedings continue in camera*]