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## **UNITAID — MORE COUNTRIES SHOULD APPLY SOLIDARITY AIR LEVY TO COMPLEMENT FUNDING FOR GLOBAL HEALTH**

### **SECURE FUNDING KEY TO KEEP EXPANDING TREATMENT FOR PEOPLE WITH AIDS, MALARIA AND TB**

*Geneva, 10 June 2010* — At a meeting which ended last night, the Executive Board of UNITAID approved a plan to step up efforts to enlist more countries to apply a solidarity levy on air tickets to provide additional funding for the health Millennium Development Goals. The Board approved a number of resolutions, among them the final phase of the establishment of a medicines patent pool, but a situation of depleting funds raises concerns for the many patients currently being treated by UNITAID.

UNITAID, a medicines financing facility for AIDS, malaria and TB in developing countries, operates on the basis of long-term, predictable financing to ensure sustainable, uninterrupted supplies of medicines and price reductions that allow for more people to be treated for the same outlay. 70% of that long-term financing - about \$ 250 million annually - comes from a small solidarity levy applied to each air line ticket bought in six member countries; the rest comes from multi-year contributions from other donors. However, in recent months, a situation has arisen where current donors' financing has not assured the funding predictability needed, and potential new countries are delaying the application of the air tax as a way of raising money for UNITAID action.

"We have had some tangible impact on markets for medicines and diagnostics," said Jorge Bermudez, Executive Secretary of UNITAID. "Prices for several AIDS medicines have come down by as much as 60%; new medicines for children with AIDS and TB have been brought to the market due to our guarantee to producers that there is money on the table. Because of price reductions, it is estimated that between \$ 300-500 million will be saved over the next three years. Without that predictability, we will not be able to build on this achievement."

Of particular concern is the continuation of treatment for children with HIV/AIDS in about 40 countries. UNITAID's implementing partner in this area, the Clinton Health Access Initiative (CHAI), has asked for \$ 150 million to extend a project in 29 countries over 2011-2012, in order to assist countries to obtain future support from other funding partners, such as The Global Fund to Fight AIDS, Tuberculosis and Malaria or PEPFAR.

"While UNITAID's Board has been supportive of this project since 2007, " said Philippe Duneton, UNITAID's Deputy, "we need more money in the bank to approve its extension. We are still waiting for some donor pledges for 2010 and, apart from Spain, Cyprus, Luxembourg and the Gates Foundation, we have no other pledges for 2011."

Of the 900 000 children needing AIDS treatment today, UNITAID treats about 300 000; and in terms of children already treated, UNITAID covers the majority, estimated to be close to 80%.

Another issue discussed was a UNITAID-UNICEF-World Health Organization project on prevention of mother-to-child transmission of HIV/AIDS. UNITAID has invested \$ 72 million in 17 of the highest burden countries. One of the projects, covering seven countries, has placed 160 000 women on prevention regimens, averting about 140 000 infections to newborns. UNITAID projects are designed in such a way that, once markets for the health products required are stabilised, the continuation of the project is handed to a larger funding source or to the local government. However, the current lack of predictable funding will make it difficult for these projects to transition to other funding sources, especially given that these - the Global Fund, UNICEF, PEPFAR, etc. - are also seeking increased funds.

"There is a general climate of depleting funds for health and development," said Philippe Douste-Blazy, Chair of the UNITAID Executive Board. "We can use the financial crisis as a valid reason, of course, but we can see that when it comes to rescuing banks or currencies, those funds are quite readily available. We need to have the same sense of urgency and purpose when it comes to saving lives."

Other decisions by the UNITAID Executive Board included:

- the final phase for the establishment of the Medicines Patent Pool Foundation - a voluntary licensing agency for key AIDS drugs, which will contribute towards greater access to more affordable and better medicines for people living with AIDS in the developing world. The foundation is scheduled to open its doors in the next few months;
- the entry of Spain as an official member into the UNITAID Executive Board. Spain is UNITAID's third largest donor with multi-year commitments of EURO 15 million annually;
- the approval of a two million dollar project extension for paediatric TB treatment in 58 countries. The project, managed by the STOP TB Partnership, is one of the first to supply new medicines recently introduced into the World Health Organization treatment guidelines;
- the establishment of an official Proposal Review Committee - essentially a group of independent experts who advise UNITAID and its Board on the value of project proposals submitted by partners, especially in terms of market and public health impact.

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## **UNITAID**

UNITAID was launched in 2006 as an innovative mechanism for scaling up access to treatment for HIV/AIDS, tuberculosis and malaria.

Founded by Brazil, Chile, France, Norway and the UK, today UNITAID has the support of 29 countries as well as the Bill and Melinda Gates Foundation.

UNITAID currently supports partner programmes in 94 countries worldwide - we are addressing HIV/AIDS in 51 countries; malaria in 29; and tuberculosis in 72 countries.

In less than just over three years UNITAID has committed one billion dollars to the diagnosis and treatment of these three diseases, representing a total of over 21 million treatments provided to patients.

UNITAID uses a market impact model that drives prices down, by guaranteeing a long-term market for large volumes of drugs and medical tools. Reduced prices, in turn, help funds go further and help more people.