



CHECK AGAINST DELIVERY

Speech to the 17th Meeting of the UNAIDS Programme Coordinating Board

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by Dr Peter Piot

Executive Director

Mr. Chairman, Ministers, PCB members, colleagues and friends:

At the outset, let me thank Canada and Minister Eileen Carol for their leadership on AIDS and for having chaired the Board over the last year, particularly for all the support to the Programme and to me personally. Let me also thank Brazil and Minister Humberto Costa for accepting to be our Chair for the next 12 months – a very welcome step as part of Brazil's exceptional leadership on AIDS.

Many things have been achieved since we met in Jamaica just six months ago. They all confirm what I said last year: that we are entering a new phase in the response to AIDS, the era of implementation, the era where we finally start getting ahead of this epidemic.

I will not repeat progress made by the Programme, as it is extensively covered in my report to the PCB – but of course I will be willing to answer any questions on it. I hope you will agree with me that we delivered on most decisions of the Board.

Before discussing four challenges for our work over the next year, let me highlight a few recent personal experiences this year, which in their own way illustrate what the state of the global response to AIDS is.

First, what has been most striking to me is the strength of leadership. Exactly two weeks ago, I had the honour of meeting Premier Wen Jiabao, who announced that AIDS would be a key issue in China's 11th Five-Year Plan. Today, heads of state or government – or their deputies – lead national AIDS commissions in almost 40 countries.

Secondly, the continuing surge in grassroots initiatives, often initially without outside support. This year I saw remarkable examples of such community responses in Kenya, Swaziland and Uganda. In each case people living with HIV are at the forefront of innovation and action. And in Cameroon, I saw how both the local business community and the churches play a significant role in the national response to AIDS, particularly the Catholic Church in Africa. Such community initiatives must be a priority for our support, because they are the foundation for a sustainable response owned by the people who have the most to lose, the most to gain. If we are looking for capacity for implementation, here it is!

Thirdly, the progress being achieved in making our action more coherent. All my country visits have been joint visits with key partners, indeed some of you. Two weeks ago, Ambassador Randall Tobias, the US Global AIDS Coordinator, and I could see the strong commitment of China's leadership in acting against AIDS. Before that, I visited Kenya, Mozambique, Swaziland and Uganda together with ministers and senior officials from Norway, Sweden, UK, the World Bank and the Global Fund. Such combined multilateral/bilateral visits undoubtedly created some confusion among our colleagues and partners in each country. But in each case, our message was clear: accelerate action on AIDS, work together, be serious about implementing the "Three Ones" principles.

Fourth, the increasing resolve to make the global response to AIDS more effective. The 9 March meeting in London on "Making the Money Work: Three Ones in Action", co-hosted by UK, US and France, was a logical next step after the agreement on the "Three Ones" last year, to forge a strong alliance to maximize our collective effectiveness. As you all know, we had a bit of a rough time, but I now believe that we can be proud of the results: One, a set of very concrete recommendations on improving AIDS coordination among multilateral organizations and international donors, delivered within 90 days by a Global Task Team, and two, new estimates on global resources needed to mount a comprehensive response to AIDS. The report on resource needs is now available as a conference paper, together with resource estimates for the development of HIV vaccines and microbicides.

Finally, during my visit to Manila, I not only signed an agreement with the Asian Development Bank, and worked with our Vice-Chair Lennarth Hjelmaker, but I also found a great deputy in Debbie Landey, who until a week ago was UN Resident Coordinator in the Philippines!

Mr Chairman, let me now turn to what I see as key challenges for UNAIDS as a major actor in this new phase of the global response to AIDS.

The first challenge is one that I have mentioned in my presentations to the PCB meetings last year: the challenge to include <u>now</u> a long-term horizon in our action on AIDS. Just consider, how will we assure antiretroviral therapy for decades!

The emergency response is definitely still necessary given that every year millions of people are dying from AIDS and millions are becoming infected with HIV. But it is also time that we put in place systems that will support longer-term sustainable solutions. This, of course, relates directly to the commitment of sufficient resources for HIV vaccine and microbicide research. But it relates equally to long-term financing of both HIV prevention and treatment, to sustaining the current political momentum and support from public opinion, and to better linking of AIDS action with the broader development agenda. This is why we will need to constantly review our advocacy strategies and to explore new alliances, going beyond the current set of actors. I propose that this be a major priority for UNAIDS and that we bring the question of longer-term planning in the AIDS response to the PCB next year for full consideration.

A second major challenge I want to bring to your attention is the need for a full-scale, comprehensive response to AIDS.

Because of this epidemic's complexity, the response has to be comprehensive.

HIV prevention is critical because nearly 5 million people acquire HIV every year.

HIV treatment is critical because over 3 million people a year are dying of AIDS.

<u>Impact alleviation</u> is critical because this epidemic is orphaning millions of children and reversing development gains.

We need all of these actions.

On the HIV treatment front, over the last two years we have collectively made significant progress on access to antiretroviral therapy. On Wednesday, progress on the "3x5" Initiative will be announced showing that we still have a long way to go.

The gap between need and action is at least as wide for HIV prevention as it is for treatment. We urgently need a renewed commitment to HIV prevention. This is the reason that a year ago you asked us to develop a global strategy to intensify HIV prevention. This policy paper is now before you. Its purpose is to guide the UNAIDS family in supporting a global intensification of HIV prevention. Therefore, I look to the PCB to provide its strong endorsement for what will be a critical component of our work in the coming years. We must not turn our back on HIV prevention because it is difficult and sensitive.

In addition to being comprehensive, our response must also be full scale: nothing less than universal access to both HIV prevention and treatment will be sufficient to stop this epidemic. That should be our ultimate goal, as I called for at the UN General Assembly earlier this month.

A third challenge, in the context of a comprehensive and full-scale response, is that we must make the money work. For the entire UNAIDS family, this is now the overriding priority.

This year we estimate that an unprecedented US \$8 billion will be spent on AIDS in low- and middle-income countries. That was unthinkable just a few years ago. However, there is no doubt that mobilizing the additional billions of dollars needed remains an enormous challenge. I saw it again last week in Rome at a meeting of the replenishment conference for the Global Fund. We will all need to work hard to ensure that the response to AIDS is fully funded, including the Global Fund. But as I have said before, we need to work equally hard to make sure that this money reaches the people who need it most, and where it has the most impact.

Later today, you will discuss the report of the Global Task Team which is really about maximizing our collective effectiveness. Its recommendations are bold – by any standards, let alone the standards of similar exercises in international development. Agreement on many issues would not have been possible even a year ago. This report is a living expression that the international climate on AIDS has changed sharply for the better, as indeed has the mindset in the multilateral system. As with the "Three Ones", it also offers the space to accommodate different visions and legal constraints of various donors. What makes this PCB unique is that you are the first governing board to consider these recommendations as well as the body that gave rise to these recommendations, with the endorsement you gave us to coordinate the "Three Ones" and its implementation.

Following the commitments made by the Monterrey Financing for Development Summit in March 2002 and by the European Union member states last month, it is likely that we will see a doubling of international development aid within the next five to ten years. This increase means that the key issues addressed in the "Three Ones" and by the Global Task Team will become ever more relevant, including country ownership, coordination, and the interplay between big funders and the providers of technical support. These fundamental issues of course extend far beyond AIDS, but action on AIDS is undoubtedly a pathfinder for other development sectors.

It is in this context that the UNAIDS Secretariat and Cosponsors continue to strengthen our capacity on AIDS at country level, as also reflected in the Unified Budget and Workplan. Providing technical support and capacity building is one of the key roles of the UN system. We have been in the forefront to alleviate implementation bottlenecks for Global Fund and other funding mechanisms. With the tremendous growth of funding for AIDS, this support function must grow as well. However, much of that mandate remains unfunded. As part of the follow up on the recommendations of the Global Task Team, we are now costing the country-level technical assistance needs for the UNAIDS family, which should be ready by 15 July, and which we will put on the table at the Global Fund replenishment conference in London in September.

Last year, I met with President Luiz Inácio Lula da Silva, and we agreed on the establishment of an international technical centre on AIDS. I am now pleased to announce that the first of another four UNAIDS technical resource facilities has been established in South Africa to serve as a hub and broker for technical assistance on AIDS in Southern Africa, using local and regional expertise and institutions. These initiatives expand and complement access to relevant technical support on AIDS, including for programmes financed by the Global Fund, with which we have now established solid cooperation.

We must also recognize the role of civil society as a key implementation partner. As requested by you in Montego Bay, we are now including civil society in our monitoring and evaluation work. This not only endorses the important role of civil society in holding governments and the UN system to account for promises made but also helps ensure that civil society is recognized for its pivotal role in the AIDS response. We are also working together towards increased engagement of civil society in implementing the Three Ones, particularly around ensuring that the 'One National AIDS Coordinating Authority' in each country is genuinely inclusive.

The final challenge I would like to mention concerns UNAIDS as part of the larger UN system, and how we interact with the current reform efforts.

As you know, the United Nations system is going through some exciting times, with a clear determination to make the various components of the system more efficient, more effective, and more responsive to the rapidly changing needs in the world. This is what is at stake at the September Summit of the UN General Assembly. In addition, four UNAIDS Cosponsors have new executive heads, who bring with them the opportunities of transition.

UNAIDS in a sense was the 'early bird' in UN reform. An experiment that certainly has not been perfect, but has achieved much – from a common budget through the Unified Budget and Workplan, to a common programme, to increasing trust and more effective joint action in country. For example, last month, Jim Morris of the World Food Programme, Ann Veneman of UNICEF and I met with 10 UN resident coordinators and the regional directors of the UN system responsible for Southern Africa, and we could see how UN country teams increasingly respond as one unified effort to the challenges of AIDS.

We have been a test case and a pathfinder for UN reform, and we intend to continue to be so. That is why the Committee of Cosponsoring Organizations, chaired by Mr. Antonio Costa, UNODC Executive Director, decided at its session in Moscow in March to commission an external review of the functioning of the Committee and of how to increase the efficiency of the Joint Programme at various levels. Boston Consulting Group has been awarded the contract, and will submit a report for discussion by the CCO at its October session.

We must also be more connected to the current acceleration of reform, along the lines of the OECD/DAC Paris Declaration on AID Effectiveness, the strengthening of the UN Resident Coordinator system, and the availability of instruments for joint action by UN country teams, as developed by the UN Development Group.

However, with an out-of-control AIDS crisis on our hands, and with funding for AIDS still rising fast, we cannot afford to wait for reform to succeed. That is why, pending your approval, we will fully implement the recommendations of the Global Task Team. Particularly urgent for me are three recommendations that directly affect UNAIDS:

- The establishment by the UN Resident Coordinator of joint UN teams on AIDS, facilitated by the UNAIDS Country Coordinator. This would not only be a first in the UN system, but should optimize use of all resources on AIDS available in the UN country team;
- A firm agreement on a more functional division of labour among various agencies. Up to now such division of responsibilities has been basically only an acknowledgement

of mandates and convening roles and has not been functional in countries. This is most obvious in the area of HIV prevention, as we will see tomorrow. Division of labour logically means prioritization of resources in each agency, and even deleting activity areas. It is the latter that may be the most difficult to accept. I know from experience that members of governing boards of our Cosponsoring agencies sometimes exclusively consider the AIDS activities of that organization, and not what that agency can contribute to the overall UN system effort against AIDS – thereby de facto undermining the joint programme you support in the PCB;

• A joint UN system-Global Fund problem-solving team to be established immediately to address implementation bottlenecks at country level.

I am asking for the support of all of you to realize this reform, as it requires the engagement of all partners, not just the UN system. Reform is never easy – but if it doesn't hurt, it means we are not changing anything.

Mr Chairman:

Our agenda is certainly complex, but it has also been much clarified over the last few years, because now we have started having real-life experience of large-scale programmes.

I am looking forward to a constructive board meeting. Our debate should be an open and frank exchange of ideas, with one overriding concern: Will it save lives? We don't have to agree on everything to move together. Our debate is not an academic exercise to find consensus for the sake of it, or as so often happens in AIDS, an exercise in disagreement for the sake of it, because we don't like a particular country, a particular policy, or a particular person.

Let me conclude by quoting my friend Jim Morris, the head of WFP, after our visit to Southern Africa. He said: "I'm optimistic. We need to push hard and stay focused, as anything other than substantial progress will be fatal."

Thank you.