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**Funding Global Health: Can Innovative Mechanisms Save the
Day?
Kaiser Family Foundation
July 21, 2010**

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JAMES: Okay. If you are sitting far, far back in the back of this huge hall, please feel welcome to come up much further up front. We want to make this very different. This is your lunch hour. It's very precious and we're ready to pass the halfway mark in this conference.

Everyone's a little tired. Everyone's a little lethargic, but what we're here to talk about, of course, is innovation. The very reason that we are tired let's spruce up the energy a bit if you want to come forward because we will be asking you to ask questions. We want this to be completely engaging. We want it to be completely interactive and we want this to be innovative in itself.

Joining us first on my firth is Michel Kazatchkine. Of course, he needs very little introduction except to say that he is the Executive Director of the Global Fund and, of course, funding an concerns about the retreat of that has been a huge concern all the way from the political leadership all the way through to the community activists.

Of course, we saw them right here when they took to the stage just before the opening ceremony. Thank you very much to Michel for joining us here from Geneva.

MICHEL KAZATCHKINE: Thank you.

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JAMES: On my left, we're all so very, very thrilled to have you here. You're so busy. It's very hard to get in contact with you, but Philippe Douste-Blazy —

PHILIPPE DOUSTE-BLAZY: I apologize.

JAMES: Is, of course, the Chairman of the Board of UNITAID and we're thrilled that you can be here. Having Philippe Douste-Blazy and Michel Kazatchkine together here on this stage and hopefully being able to move that conversation forward will bring us altogether as we try to see what the future of funding is not just the future, but what the now is of funding. Let's talk about innovative financing.

Now, this section is called Funding Global Health: Can Innovate Mechanisms Save the Day. My first question is this I looked at the title and the first question in my head was what do we need to save? Does the day need to be saved? Michel?

MICHEL KAZATCHKINE: Yes. The day needs to be saved because we need continuous and increased funding for health. We need increased funding to fight AIDS, TB, malaria for maternal and child health, for health system strengthening and to move the health agenda.

Clearly, to me, in 2010, innovative financing is not just a timely question. It is a necessity for financing reason and the financial crisis, the crisis in the Eurozone recently that is putting more and more pressure on official development

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aide and the ability in the future of governments to sustain at high level their commitments.

As compared to what the needs are certainly puts innovate financing as one area that we strongly need to engage into, but I would —

JAMES: Can I just interject something here?

MICHEL KAZATCHKINE: But let me just also say the other advantage or added value I see to innovative financing is that it is bringing together all of the partners. It is bringing consumers in some of the examples. It's bringing the private sector. It's bringing the government. It's bringing the multilaterals, so it's also building the type of multi-sectoral consensus that we want to be behind health. Sorry James for interrupting.

JAMES: I did want to add there because right now in his room we've got I don't know a few hundred or maybe a few thousand people right here. You're preaching to the chair. Now, if you came on to my TV show and you said we need to save the day because of XYZ about HIV/AIDS, we're going to look back at you right away and we're going to say, well, what about climate change, what about water conservation, what about conflict.

How can you justify AIDS in a day in age —and I'm not arguing with you, but how can you justify to the wider world because it's not just the 25,000 people here. You need to

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convince a political leadership who in the past haven't been on this side completely. What are you going to do to really show them that the day really is worth saving?

MICHEL KAZATCHKINE: Well, there are two things I'm saying. First, let's not enter into a debate whether it should be AIDS against health systems or AIDS against maternal and child health. We just need funding for health and we need funding for all of the global issues that this world is facing. What I'm saying is in terms of health, we have made a very strong case.

If you look back the last five years, we've been able to start from nowhere, basically no one on anti-retroviral treatment for example five years ago and contrary to whatever people were speculating and saying it's 5.2 million people on treatment today so that what we can universal access is not some sort of elusive concept out there. It is reality. We're on the way to be able to achieve it and I think we have made very strong case of actually feasibility, so that's the one thing.

Then, again, let's not oppose one area to another and when we talk about innovative mechanisms, when we think about what a tax such as the Robin Hood tax could bring, this is really about something that could help us fund development in general and thus help us politically in a globalizing world.

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JAMES: Of course, I don't think everybody really truly understands what innovative mechanisms really are. Perhaps, we can go a little deeper into that. Philippe Douste-Blazy, could you just explain to us the concept of innovative mechanisms and how that relates back to HIV and AIDS?

PHILIPPE DOUSTE-BLAZY: First of all, I want to say that we have to ask head of state to increase the [inaudible] the first thing. Second thing is to understand that it's not possible to reach the millennium detriment, the health related MDGs particularly to MDG-6 only with ODA. As Michel said, it's very important to create new sources of financing.

The definition for me of innovative financing are financing which are additional, predictable and sustainable. The reason why in 2005, 2006 we began with a small levy tax on plane tickets. Nobody thought that it was possible, but now three years and a half after we raised \$1.5 billion and we worked on AIDS, tuberculosis and malaria and particularly with global fund.

I think that we have to change the scale because only 40-percent of the patients with HIV are treated. The reason why as Michel said as well is we have to change the scale. To change the scale I think that we have to understand that there are four, five economic activities which have benefited a lot from the globalization. It's internet, mobile phone, financial possessions in banks and tourism.

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We begin with plane, but now we have to setup a tax on [inaudible] of exchange. I think that it is very, very important because it's feasible, economically feasible, technically feasible and I am sure that we have to explain to head of state during the next MDG summit in New York that we have to fight here together to obtain the currency transaction levy and the conclusions of the MDGs summit.

Enough of that, we are going to add the G-20, which is the —and France is going to be the chair to chairing the G-20. I think it's very important to fight for the currency transaction levy as for poor people for developing countries. It's new, for me, innovative financing fund agreement.

JAMES: I was just —when you were talking then you use one word which just stuck out and obviously it was sustainability. I think it's very, very important thing to think about not just innovative mechanisms, but how do you balance that with the existing mechanisms, the traditional ones that are already in existence. It's simply is obviously not about just discarding them, but it's in complementary about it.

MICHEL KAZATCHKINE: Absolutely.

JAMES: In addition to —

MICHEL KAZATCHKINE: What Philippe said is absolutely essential. Innovative financing mechanism should not save the day by substituting for official development aid and I'm actually worried that the .7-percent target of DNP in terms of

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ODA that the world has said to itself and the United Nations asked member states to adopt that this target is constantly pushed back. More than ever do we need a strong ODA and I'm particularly concerned about the impact of the crisis on the ability of the countries to scale up their ODA.

I think it's really the minimum that the world can do that the rich would devote .7-percent, .7-percent of the GNP to development. As you know, currently, most of the countries are somewhere between .16 and 4.45 except for the high standard that the Scandinavian and many Nordic countries have set being above .7-percent, often somewhere around 1-percent. Innovative funding is clearly an additional funding and it's saving the day by helping us adding up, not substituting.

JAMES: Talking about that because there's this genuine fear amongst people, amongst activists and amongst leaders even, I'm not sure if you're one of them, that people do see it as a substitute. They do see it as government leader's thing, well, they're being innovative. There's a plane levy tax. There's no need for us to stick to our bilateral governmental agreements anymore. Are you seeing that?

You have your big replenishment conference coming up in October. Are you seeing countries beginning to shirk their responsibility by looking towards innovative financial mechanisms as a way out, not for the world, but as a way out for themselves.

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MICHEL KAZATCHKINE: I haven't —I mean, at this time, I can't say anything about replenishment. We still have three months until the MDG sub —

JAMES: But compared to 2007, July 2007 compared to July 2010, what's the difference? There must —is it black and white the difference or is it quite similar?

MICHEL KAZATCHKINE: Well, July 2007, we were on the eve of getting to a replenishment of \$10 billion for 2008, 09, 10. This year we're coming to the donors and saying if we want to respond what we anticipate will be the demand from countries, we need a 17 billion, at least, replenishment in order to have those countries continue scaling up at the same pace that we should've been scaling up in the last few years. That's what we need in order to move to the health related MDGs.

We're saying the countries have proven their ability to scale up. If we were to have the resources, we could really come close to a world without malaria deaths by 2015. We could save millions of lives with HIV life saving treatment. We could virtually eliminate mother to child transmission of HIV as we've been discussing here in many sessions.

Now, I'm also hearing at the same time from the donors, we're really under severe budget constraints and that is why we have to push on every front. We have to push on the DA. We have ourselves to look into how much efficiency gains we can

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show further to the donors showing that everyone is making its effort. The developing countries themselves and African countries have to stick to the Abjua targets and we have to push for innovative financing mechanisms which is the topic of this particular discussion and I'm very strongly behind that push.

JAMES: You're telling me that government leaders come up to you and I know that you crisscross the globe literally. God knows how many countries you go to in a single week and I bumped into you in Beijing of all places a few weeks ago.

I'm sure government leaders come up to you and they say, yes, we have budgetary constraints. Of course, they're going to say that. The financial crisis is the perfect excuse for all that, but they seem to have money to bailout banks. In my country, they send people in rockets and so on and so forth. I mean, there is money around.

PHILIPPE DOUSTE-BLAZY: Yes. Well, let's be very clear. Decisions on funding such as funding health are political decisions in politics and here we have a politician with us, Philippe. Political decisions are about choices and that's one point you have to make choices and say what your priorities are. What I think Philippe and I are saying is that development and health in development are and should be priorities for the world.

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JAMES: Because you're speaking to a former French prime minister. If you were currently the French finance minister what would you say to that? Michel Kazatchkine comes up to your office, knocks on your door and says we want more money for the global fund because you wanted to save lives, AIDS, TB, malaria. If you are the foreign minister and not just of France, but of any country or of an international organization to say there was a world government. What are you going to say to him?

PHILIPPE DOUSTE-BLAZY: Yes Your question arose to me to answer and to come back to the current see transaction living. Why? Because you have in the world each year \$900,000 billion between banks only four exchange currency. Ninety-seven of these transactions are from speculation. It's absolutely not linked with economy, the real economy. It's only speculative between banks.

Take, for example, the Yoo-hoo. All the transactions for Yoo-hoo go through one chamber of compensation. We know very well. You have already. You already have a small percentage 001, which is for the electronics use. If all the head of state around the table of your [inaudible] decide to take 05-percent, it's painless. At the end of the year, it's 20 billion Euros per year. And you can save millions of lives and you can reach the MDGs [inaudible] more easily.

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I think it is a political decision. It's not a technical decision it's possible. It's not the economic decision. It's possible. It's only a political decision. The problem is five years ago none head of state thought that it was possible. Now, everybody runs a table at G-29, now that it's possible. The poem is where goes the money.

Some ministers of finance, oh, the money is for the new risk of [inaudible] for both. Minister of Finance can say I have no budget. I have a lot of deficit of debts in my country. Yes, I'm going to take this money. The fight, in Vienna to explain to head of state that this money is for developing countries. For me, it's a key for the piece in the 21st Century.

JAMES: Thanks Philippe.

PHILIPPE DOUSTE-BLAZY: Yes, I just say there are [applause]. There are two political decisions and first political decision is move into a financial transaction tax which as you said Philippe is now accepted and has been showing to be technically feasible. The second political decision tad that is important for everyone to understand is that at this time as we see a positive move toward the tax, we're still not sure whether the money from that tax will indeed go to development and particularly to health and development. That's the second political challenge.

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JAMES: Let's go back to you. You mentioned G8, I mean last month [inaudible] the G8 stopped short of making any new financial commitment for AIDS or Africa, so if the G8 is not stepping up the tasks at hand, why aren't they asking a financial sector to support the Robin Hood tax?

PHILIPPE DOUSTE-BLAZY: You have two possibilities if you take all the financial transaction in the world. You have to pass to go through the financial bankers. If you decided this is only for the currency transaction levy, you can decide at the political level country by country, not country by country, but currency by currency.

For example, I am sure that if the European Council votes in favor of a currency transaction level. I am sure that one week after, so prime minister of Japan can say yes for Yes. Why not in the U.S.? Because I cannot think that it's possible for one head of state to say no because it's possible politically.

JAMES: I just missed out just there because we were having this great debate. You mentioned Abuja yourself, of course, Abuja is a commitment made my African leaders to spend 15-percent of their budget on health. Of course, this includes HIV, but this commitment has not been met by most countries.

PHILIPPE DOUSTE-BLAZY: Well, commitment from the North has not been met earlier. We are somewhere at 60-percent of the clinical commitments and we're way into 2010 now. I think it's

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fair to say that we have to share the burden and everyone has to contribute and the heads of state of Africa committed in Abuja to have 15-percent of the budget devoted to health. That is to politically show that health is a priority for these countries. It's not the absolutely amount of dollars that this will generate, which is important. It is the political significance that meeting the Abuja targets will carry.

First political significance I consider health as a priority for my country. Second political significance I'm showing that I also want to make an effort and to make difficult budgetary choices in my country. Just as I'm asking difficult choices from the donors.

JAMES: Of course, Michel Sidibe himself said as part of treatment 2.0 that health isn't a luxury. Health is very much a necessity. Zimbabwe was one of the only countries to ever introduce an AIDS levy something like a national AIDS tax so to speak. Why don't more countries follow this example and how high does that prevalence need to be before countries must resort to such measures?

PHILIPPE DOUSTE-BLAZY: Well, the Zimbabwe example, yes indeed it's one of the —I mean, I'm just trying to put my thoughts together, but that's the only country I know at this time that has a specific AIDS levy that is contributing to the budget. Let's also be clear that Zimbabwe is heavily, heavily relying on external sources of financing to finance its AIDS,

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TB and malaria programs and primarily on the global front that remain the only thunder at the times when Zimbabwe was and still remains to a large extent under a severe embargo.

I just see this as one of the mechanisms and the 15-percent Abugida target is another by which countries can show their political commitment to health as a priority.

JAMES: Just something that just came to mind because I wanted to get you back into the main conversation again. Why doesn't UNITAID give all its money to the global fund?

MICHEL KAZATCHKINE: What?

JAMES: Why doesn't UNITAID give all its money to the global fund? [Laughter]. Is the question why you need [inaudible] sorry no. I'm staying out of this just go.

PHILIPPE DOUSTE-BLAZY: I mean, you need to —you need to. It is there to serve the countries. The global fund is there to serve the countries. UNITAID is not there to help the global fund. UNITAID, global fund, bilateral, foundations, everyone is fighting together.

MICHEL KAZATCHKINE: UNITAID, it's not on the ground. UNITAID can —we have an expert group in UNITAID and we decide each year which kind of programs we are going to help and for [inaudible] for example, it's great information or for the eradication of a ATV from the pregnant mother to the newborn is UNICEF. For malaria we work with as well global fund.

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PHILIPPE DOUSTE-BLAZY: I want to give the floor, and I want to say that for me innovative financing is not only innovative funding, but it is as well innovative spending. We have to create new ideas with this financial capitalism.

An example is the wonderful, amazing presentation of Ellen Tune [misspelled] this morning about patent pool, because it's absolutely abnormal to see that when we do progress in western countries, when we create new direction, medicines in western countries.

We have to wait 10 or 15 years to have the same medicine or the same drug in developing countries. It's absolutely unfair. It's the reason why we created with UNITAID the first medicine paid in full foundation. It's an intuitive of UNITAID to allow developing countries to have at the same time the efficient, safer drugs in the world with a small price. I think it's a key. It's not funding.

It's a new manner of thinking. I am very delighted to see that the beginning of negotiations are now and I hope that at the end of this year we will be able to say to you which companies has accepted [inaudible] to do a patent pool. I think it's very important to do a license because it's program of intellectual property. We cannot continue with the same intellectual property rules.

If you take the agreement, TRIPS agreements between India and European Union. Ninety percent of drugs or medicines

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in Africa and developing countries are generics. Ninety percent of generics are from India. And now because we have this agreement, it's not possible.

We are going to see a big, big program in developing countries for two weeks. It's absolutely impossible to continue with these politics. It's the reason why we have to create new was and it's very important for me to see that the French Government, the UK Government, Brazilian, Chilean, Norwegian, Korean has accepted to do that.

JAMES: I just wanted to stay with you just for one quick question over here. Of course, massive good has drawn massive attention in the media. It's the latest innovative finance mechanism. It asks people to give a few dollars or even just a few cents when they book an airline ticket online.

What is the IATA, the International Airline Agency doing to make such an airline tax mandatory instead of just asking countries to do it voluntarily? Does a European experience show, the good European experience, so that if people can afford a plane ticket, they can afford to pay a tax to on top of it. Just a small one even.

MICHEL KAZATCHKINE: When we create UNITAID in the small painless plane ticket levy, we thought that it was possible to go to the U.S. and the Bush Administration said to me it's absolutely impossible to speak about tax in this country and I said but I am French I know that tax is not a

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problem for us. But for \$1 or \$2 by plane ticket it's painless for you as well.

It was impossible to move forward is the reason why we decided to create a voluntary solidarity worldwide contribution. Why? Because each year, you have 2 billion people, which buy a plane ticket through internet because they buy directly on the laptop or because they buy through travel agencies or airlines companies. But at the end of the day it's only three companies, [Inaudible] for Europe, Saber in the U.S. and Travenport as well.

Three global distribution systems, informatic engines who are responsible for this 2 billion people who buy a plane ticket. I saw the three CUs and particularly the CU of [inaudible] in Europe Phillip Shereck [misspelled?]. He said to me we can work on your software to ask every traveler in the U.S. or in Europe or and the world, do you want to pay \$2 more when you buy a plane ticket?

If you say yes you click here. If you say no, you don't click. In the U.S., we thought that it was possible to launch in March 2010. We have a delay because Saber, the one [inaudible] social system in America who wanted to have six or eight once more. We are going to launch operationality with [inaudible] for the next Thanksgiving, must be good in America.

The reason why we don't have so far clicks but we are going to have clicks after Thanksgiving. We launched Massive

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Good in June in Spain and it works because now we have a lot of takes in Spain.

I think it is very important you know with internet to alert it's traveler to give to the loss for developing countries, particularly for HIV/AIDS.

JAMES: Michel Kazatchkine I want to ask you also and we'll get back to Massive Good because I really do want to go back to that in just a second, but of course the world celebrates the patent pull by the drugs, of course, at the same time still aren't free. I would hope just lowering the prices, shouldn't we invest more money in keeping patient's on first-line therapy which is 10 times cheaper than second-line therapy. What is the global funding to keep the cost of HIV treatment to a reasonable minimum?

MICHEL KAZATCHKINE: Well, first the global fund is the largest buyer of these drugs in the world. So by creating a market, and having the demand and creating the market we can diversify the offer and therefore we can help decrease the prices. The prices have decreased drastically as everyone knows in this room in Dublin 2000 the cost of antiretroviral treatment first-line was \$10,000 or more per patient per year.

The average cost that we currently pay, that if I take all of the HIV grounds that we finance in over 120 countries the average cost is \$120 to \$150 per patient per year, and the cheapest regimen we finance is \$85 per patient per year.

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But that's a regimen which is a fixed bill that everyone knows here with three drugs that are not including some of the best drugs we would wish patient's to benefit from and when it comes to second-line drugs our average current price of our first second-line regimen is \$1,200 per patient per year, but some of these drugs are actually 20 if not 40 times more expensive. So I fully agree with what Phillip said, we really cannot go on with the current intellectual property rules and this is why I fully support the concept and the efforts around the pull patent.

JAMES: I think I spy your Deputy, Dr. Zoyden [misspelled?], she's somewhere in the room isn't she? That is you. She's extremely good at time keeping and I'm not so I'm really going to ask for really quick answers over here. Because I have so many more things I want to get at. Philip, if there is a Robin Hood tax who should match it? Should the global fund handle something as big this or do we need an alternative funding body like a Robin Hood Fund?

PHILIPPE DOUSTE-BLAZY: Yes but just before I answer your question I want to say to Michel that I completely agree with him when he spoke about the reduction of price and you need it, for example, during the last three years with the partnership of CHI, The Clinton Foundation a good surprise of second-line from \$1,500 to less than \$600.

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I think that it's extremely significant and extremely important. In the next three years and because of the work already done by UNITAID, by Chide, by PEPFAR, and the Global Fund will benefit from this. \$300 million savings because of the price reduction UNITAID has begun to develop second-line market in developing countries. I think it's very important and I would like to ask Michel what is he is thinking about that.

MICHEL KAZATCHKINE: I'm sorry about?

PHILIPPE DOUSTE-BLAZY: You know, into next year what do you think about reduction of the price?

MICHEL KAZATCHKINE: I am fairly optimistic that on one or two specific second-line regimens, for example the regimens and of course the regimens primarily the regimens on which Chide has focused, we will see further reductions in prices, and over 50.

I think it's close to 60-percent of our grounds are currently using those ceilings and when we buy, because we also fulfill for some of the countries when they ask it from us on a temporary basis, when we also act as a procurement agent ourselves, when we do what we call voluntary-pulled procurement for countries, we use the CHI negotiated ceilings as the absolute ceiling above which we wouldn't accept to pay a given price for a drug.

So I expect those prices to come down. But I would like to see the prices of many more drugs to come down and so one

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step at a time but when it comes. I'm sorry here I'll talk about a specific drug, when it comes to Kaletra and to the new forms of Kaletra I would indeed hope that we see further reductions of very soon.

JAMES: And my question?

PHILIPPE DOUSTE-BLAZY: What is your question about?

JAMES: The question about that if there was a Robin Hood tax who, should it go through? Do we need certain alternative of funding body just particularly for those? What would be your advice?

PHILIPPE DOUSTE-BLAZY: I think that the key for this tax is to convince during the next session of general assembly in the UN, we have to convince head of state. First of all the European Union but as well the Prime Minister of Japan, and [inaudible], Mr. Obama, and the President of China. I am sure that when we see to the faculty, because we need a lot of money, to reach the end, we need \$150 billion a year.

We have now 110, it's absolutely impossible to reach the end by 2015 without innovative dependency. It's not only with UNITAID, it's a small laboratory of innovative funding. We have to create this tax, this tax politically is visible, and I am sure that the key is in general assembly of the UN after that iniquity and after that during the European Council, the next one in October.

JAMES: Michel?

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MICHEL KAZATCHKINE: Yes, can I just say two things here. One is I really support what Philippe says because this is an urgent matter. We cannot wait for the innovative financing mechanisms to be functional in five or ten years.

We should be able scale up access to treatment and prevention and care now. When it comes to how much of the financing mechanisms we will need by 2015, let's also bring this back to the debate of ODA, that if the rich countries would have fulfilled their legal commitments we wouldn't be where we are today.

So there are two things again, we need the donor countries to keep their commitments and bring the ODA and in addition to that we need to implement the innovating funding mechanisms as soon as possible. So all of that requires strong political commitment and strong political move.

PHILIPPE DOUSTE-BLAZY: One thing. I think that we saw in Copenhagen a big failure. Political failure, because each head of state said first, we don't have money from ODA. Second one, we have to create innovative financing, but it's too easy, you know? Which one? As Michel Kazatchkine said we have three months to define exactly which one. I think that the currency transaction levy is a big opportunity and we have two months but it's feasible now.

JAMES: I just want to ask everyone in the room. Who here would call themselves a young leader, a young activist?

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One, two, three, we're obviously targeting the wrong people here in this session.

But I went to your website and I thought that your website was fantastic, and I saw the celebrity endorsements and I think that it really does speak to young people, it really does engage. When they see people like Will-I-Am and you have these great little You Tube type that goes there. It's cool, it's sexy and much more than anything it's appealing.

So much of innovation these days comes from young people. We just came from the launch of the high-level prevention commission just unveiled by UNAIDS, Chris Hughes one of the cofounders of Facebook with Mark Zuckerberg is on there.

So a lot of innovation is coming from young people in our world but at the same time the very same young people are crying out there aren't enough innovative funds for supporting young people and for supporting HIV and whole.

Will the Global Fund, and will Massive Good be willing to commit a marked five-percent for the future to support and to empower young people to support and empower the very people who will be leading us into the next generation.

MICHEL KAZATCHKINE: Well, let us first be very clear, I was here 48 hours ago and now I'm a bit confused with my own schedule but on this very stage with young leaders participating in the youth session and I really heard the passion, the energy, the commitment and I'm strongly supporting

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that advocacy and I'm absolutely convinced that youth has to play a key role in the future of prevention and access to prevention particularly.

The Global Fund has no restriction what-so-ever here. But the Global Fund will never commit to say three-percent or five-percent or 10-percent or whatever, because the way the Global Fund works, if it's not a top down organization I think that times when the donors were deciding for the others, what the others should receive, those times are over.

The way I see development, the way I think we should agree and we all basically agree I know in this audience development should take place is that it starts with country ownership, and it's for the countries to decide on their priorities.

All of us are willing to support and help the youth to become a stronger voice on what we call the CCMS and the NGDs that we require for the funding to the Global Fund and to have more room for funding user organizations and youth efforts in the fight against the three diseases.

JAMES: I know Michel that all the people do like you personally, but there must have been a huge endorsement for you when you were sitting here that day and your picture was flashed out by the young people from Ukraine and Russia, elevated to [interposing].

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MICHEL KAZATCHKINE: Young people from Ukraine and Russia are going through hard times. The epidemic is rapidly increasing there, in young people and they have lots of difficulties to have their voices being heard.

JAMES: We have a couple of minutes. Michel I was wondering, could you just open up your jacket and show people what you're wearing? Please.

MICHEL KAZATCHKINE: Okay.

JAMES: I'll just lift this up for you. This is another inspired another red product over there. I mean red is just one of the many example of cool kind of products that have been very much in the media limelight for many years. I want to go back to what you were talking about Philippe, you know, Product Red and Massive Good there is a lot of hype, there is a lot of rhetoric, there is a lot of hot air some people say. How much money has really been raised by innovative financing like Product Red or Massive Good? And I have the numbers on Massive Good.

PHILIPPE DOUSTE-BLAZY: It's very difficult to say. The premise of one thing, the problem of Massive Good for example is very difficult to succeed. A very good branding, for example UNICEF everyone in the world knows UNICEF, how we can organize advertising for Massive Good or for Red.

For example it was with You Tube and it's easier because you have big celebrities. I think that we have to

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organize advertising campaign but we don't want to give some money for communication, it's very expensive and we have to organize an advocacy campaign with celebrities.

You spoke a few minutes ago about Will-I-Am for example. It's a very good example because it's for free, but every young man or woman knows Will-I-Am for example, but it's very difficult to answer your question. I think that if we succeed, if everybody in the world, every traveler in the world knows the name of Massive Good.

JAMES: Yes, I think they do know the name of Massive Good but I also read a newspaper article the other day and forgive me if my numbers aren't quite down to the dollar and cent, but they said that Massive Good has spent \$11 million in promoting campaign, and how much money have they raised? Was it something just under \$14,000, people say that's a bit of a crime.

MICHEL KAZATCHKINE: Yes exactly.

JAMES: Is that yes you are admitting that it is?

MICHEL KAZATCHKINE: Because we are involved with UNITAID in order to make good developments, and we decided to develop new innovative financing is brought to the [inaudible], and to develop the software, to develop the Massive Good initiative we need money. We decide to give money, but in each started, is the same thing James.

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PHILIPPE DOUSTE-BLAZY: You spend money, during the first year and after that you have the money back.

MICHEL KAZATCHKINE: For example when I said to you a few minutes ago that the first click in the U.S. is going to begin only after Thanksgiving we cannot have a click now, the reason why, it's very easy to say they spend the money but they don't have money back, because we have not began in the U.S.

JAMES: Sorry, I just had a sign flash up saying five minutes remain. So I want to ask one quick question of you Philippe I must squeeze in and then I want to ask Michel about some concluding thoughts over here.

One of the big stories as a journalist of course is funding, the other big story is the Caprica study yesterday, and the other big story is Treatment 2.0 which Michel Cilipe [misspelled?] unveiled a couple of days. It is being seen by some people as being the future of treatment, how will patents play for better access to treatment and goods in our future?

PHILIPPE DOUSTE-BLAZY: For me the key is a patent pull. For me the key is to organize new relationships between owner, holders of patents, and generics. I am sure that is the key for the future.

We can't continue only with the program with the capitalism is how we can provide group public goods for 1.5-billion people in the world. We have to actuate innovative financing for funding, but we also have to as well define new

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rules, reticulate rules for the capitalism about education, about food, about public health and I think it's a key.

JAMES: Okay, we can be very democratic over here because we have very few minutes left. I want to think about what the one thing that everybody in this room can do to make innovative funding work for each one of us. I'm going to ask one person in the audience. I'm going to ask you and I would love for Michel to finish up. The one thing that you can do to make innovative funding work for everybody and you can go first. Really quick, in one statement for you and then I'll find someone in the audience.

You can go first. Philippe? One idea as to how to make innovative funding work for everybody, what's the one thing we can take away?

Okay first to hold up their hand over here. What's the one thing we can do to make [interposing]?

I love you because you spoke so beautifully yesterday and you pushed the cause of funding what's the one thing that we can do. Stand up.

FEMALE SPEAKER: Innovative funds?

JAMES: Yes.

FEMALE SPEAKER: Active and provocative and say that we have to go back and ask ourselves, if we are looking for money for health care what's happen to our systems that are all underfunded, we don't have healthcare workers, where are our

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healthcare workers? Where I come from we are going to school free of charge. Except by Private University in my country admission is free.

But where are all our doctors? Where are our nurses? Where are our professionals? They're in the countries of life. So [inaudible] paid billions for people to swab people in the clubs, can you do the same thing? Can you give back to the countries that are investing in training in healthcare workers that are across the globe? [interposing]

Number one tax on crash carts, okay [inaudible] the best tax, let's get money from scratch cards. I'd also like to say something on tax on oil and gas. I'd like to see tax on banking, which means and [interposing] it's just a matter of who controls them, but it's a political decision. It's the people who are close to power that controls it's investments and there's zero room. But really, we must tax you guys that are taking out of them.

JAMES: Just one thing. [applause] You're talking about political leadership weren't you? The point is that you are speaking to two leaders on the stage right now, who are in the position to make real change. What's the one thing you would tell them both?

FEMALE SPEAKER: Michel there is also 17-billion, 20-billion is what you want for the Global Fund? Please talk to us for a second. It doesn't do us good. What's the very optimal

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best? And for UNITAID we'll see patent pull yes, obviously if we cannot afford to get second-line drugs then we're sunk. We had first-line a few years ago, some us have been on first-line, for those of us with HIV it's absolutely important. Our children are dying because they have no access to treatment and we really must ensure that ARVs are affordable and that we can pay for them.

JAMES: Thank you very much. Response from the both. What would you say?

MICHEL KAZATCHKINE: First let me say Rilake it's 17, 20, over 20 what you and I and all of us want is that we have the funding necessary to answer the demand from the countries. Maybe the demand will be 25, so I think what we want from replenishment and from a Global Fund in the future is that is capable of answering the demand. James you wanted me to say a few things here?

JAMES: Yes go ahead.

MICHEL KAZATCHKINE: Just two or three thoughts from this debate. Three points. The first is that we need a strong push on the innovating financing not only because we have urgent and large needs in health but also because innovative financing is really contributing to build the sort of global citizenship and global solidarity effort, involving all sectors of society. Involving the rich countries but also the rich people in poor countries in a global effort.

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The second and that was a strong point from the early part of our debate. In no way innovative mechanisms for funding should substitute for ODA and all of us have to keep the pressure and the advocacy on having the commitments from the donors fulfilled.

The third point, all of this is urgent. People are in need of treatment prevention, care and support, urgently. So the first emergency is have at the United Nations Summit in September this year both the leader commit to ODA and to public money going into health and development, and second the leaders commit to implementing a tax on financial transactions and then commit to have funding from that tax go into development and not to one small war into saving the banks.

JAMES: Okay Philippe last words here.

PHILIPPE DOUSTE-BLAZY: Yes, I would thank the world about the taxation because I think that it's very revealing to have the courage to give a micro celebrity contribution for the developing countries in the world. Particularly with the global activities which benefit a lot from the globalization. I am sure it is possible to organize the global level a global expectation for poor people to provide public goods.

The second thing is example of friend ticket. If you can explain, convince each government that it's absolutely painless for travelers to pay \$1 more; it is the price of a coffee. Nobody knows exactly how cost of a plane ticket,

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depends on the price of oil and the airline companies etcetera. We have to do that for two reasons. First it's money for UNITAID and after that for partners. And the second is the beginning of a new thinking about the global citizenship in the world. Thank you.

JAMES: Unfortunately our time together is up over here. So I think what the take away message over here is obviously there is so much to do, for obviously the world and we as a world can't afford to miss the opportunity being offered and being gifted by innovative financing. Let's go out and not just be a Robin Hood but let there be a Robin Good.

To my guest Michel Kazatchkine from Global Fund and Philippe Douste-Blazy from UNITAID and to all of you for being here today thank you very much. Good bye. [applause]

[END RECORDING]

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