

AIDS PANDEMIC – THE BEGINNING OF THE END?

The hidden face of AIDS

OFID at AIDS 2012

OFID and CAF join forces to bring energy to the poor

Venezuela joins MERCOSUR



Uniting against Poverty

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HIV/AIDS: turning the tide together

For more than two decades, hard won development gains have been unraveled by the impact of HIV/AIDS, a destructive pandemic that has claimed millions of lives, orphaned countless children and drained productivity and resources across the developing world.

The tide, however, could at last be turning – at least if the mood at the July 2012 International AIDS Conference is anything to go by.

According to the latest estimates from UNAIDS, the global HIV prevalence rate has leveled off, and the number of new infections continues to decline – by more than 20 percent between 2001 and 2011.

Last year alone, there was a decrease of 24 percent in the number of new infections among children. And, although 1.7 million people died from AIDS-related illnesses in 2011, this is roughly three-quarters of the 2005 figure, progress that owes much to the scale-up of antiretroviral treatment.

For these achievements, great credit is due to those who have stood at the forefront of the fight against the pandemic – a battle that has united the international community like never before. Named as one of the eight Millennium Development Goals, reversing the spread of AIDS has galvanized effort from all quarters.

OFID joined the battle in the mid-1990s, as soon as it became evident that HIV/AIDS had evolved from being a health issue into a serious threat to socio-economic development. Since 2001, OFID has been part of the global coalition fighting the spread of HIV/AIDS on the ground.

Through its special grant program for HIV/AIDS – and primarily in collaboration with the specialized agencies of the United Nations– OFID has channeled substantial resources for a wide range of initiatives. These have targeted education and awareness, prevention and testing,

treatment, care and support to people living with HIV/AIDS, reduction of vulnerability, vaccine development and mother-to-child transmission, and together have benefited more than 90 countries across Africa, Asia, the Pacific, Latin America, the Caribbean and the Arab World. Throughout this time, OFID has also fought HIV/AIDS indirectly through its numerous other activities that address human poverty.

OFID continued to show its support to the campaign at the XIX International AIDS Conference, which took place in Washington D.C., July 22-27, under the theme *Turning the Tide Together*.

Attended by some 24,000 delegates from 183 countries, including practitioners, policy makers, persons living with HIV and other individuals committed to ending the pandemic, the gathering focused global attention on shaping international responses.

By all accounts, AIDS 2012 was an overwhelming success, variously described by the leading actors as “ground-breaking,” “remarkable” and “inspirational.”

Much was made of the promising statistics, of the scientific advances, and of the clear sense that, while a vaccine or cure is still the ideal solution, we have developed the tools and resources to save millions of lives.

This air of optimism was tempered, however – and rightly so – by the knowledge that there is still a very long way to go to achieve the UN’s vision of “zero new infections, zero AIDS-related deaths and zero discrimination.”

In her inaugural address at the close of AIDS 2012, Francoise Barré-Sinoussi, Nobel Laureate and incoming President of the International AIDS Society, called it “unacceptable” that hundreds of thousands of babies continue to be born with HIV, when the tools exist to prevent mother-to-child transmission.

Equally deplorable, she noted, was the spiralling problem of HIV infection through injecting drug use, in spite of the fact that simple needle exchange programs had been identified as a “scientifically sound” prevention method.

A closer look at the statistics reveals other worrying facts. In 2011, for example, 2.5 million people were newly infected with HIV. Considering the tools available, this number is too high.

Also inordinately high is the infection rate among young women aged 15 to 24. Standing at double that of men the same age, such a level of vulnerability should not be tolerated.

Perhaps most disquieting, however, is the fact that, although prevalence has levelled off, the number of people living with AIDS – 34.2 million – is more than ever before. On the one hand, this is something to be celebrated – thanks to the efficacy of antiretroviral drugs, people are living longer. On the other hand, the emergence of an ageing AIDS population has added a new dimension to the pandemic – heightened susceptibility to, and a surge in, non-communicable diseases such as cancer, diabetes and heart disease.

AIDS 2012 concluded that beating the pandemic will mean scaling up funding and tools, integrating HIV programs into broader health services, coordinating efforts and encouraging countries to take national ownership of their interventions. All of them commendable objectives.

For OFID, however, one thing is clear above all else – the fight against HIV/AIDS is far from over. If anything, what lies ahead will require us to be smarter than ever before. We are entering a new phase. One that will demand vigilance and an ability to adapt and respond to the shifting nature of the challenge. As always, OFID is ready and willing to play its part. ■





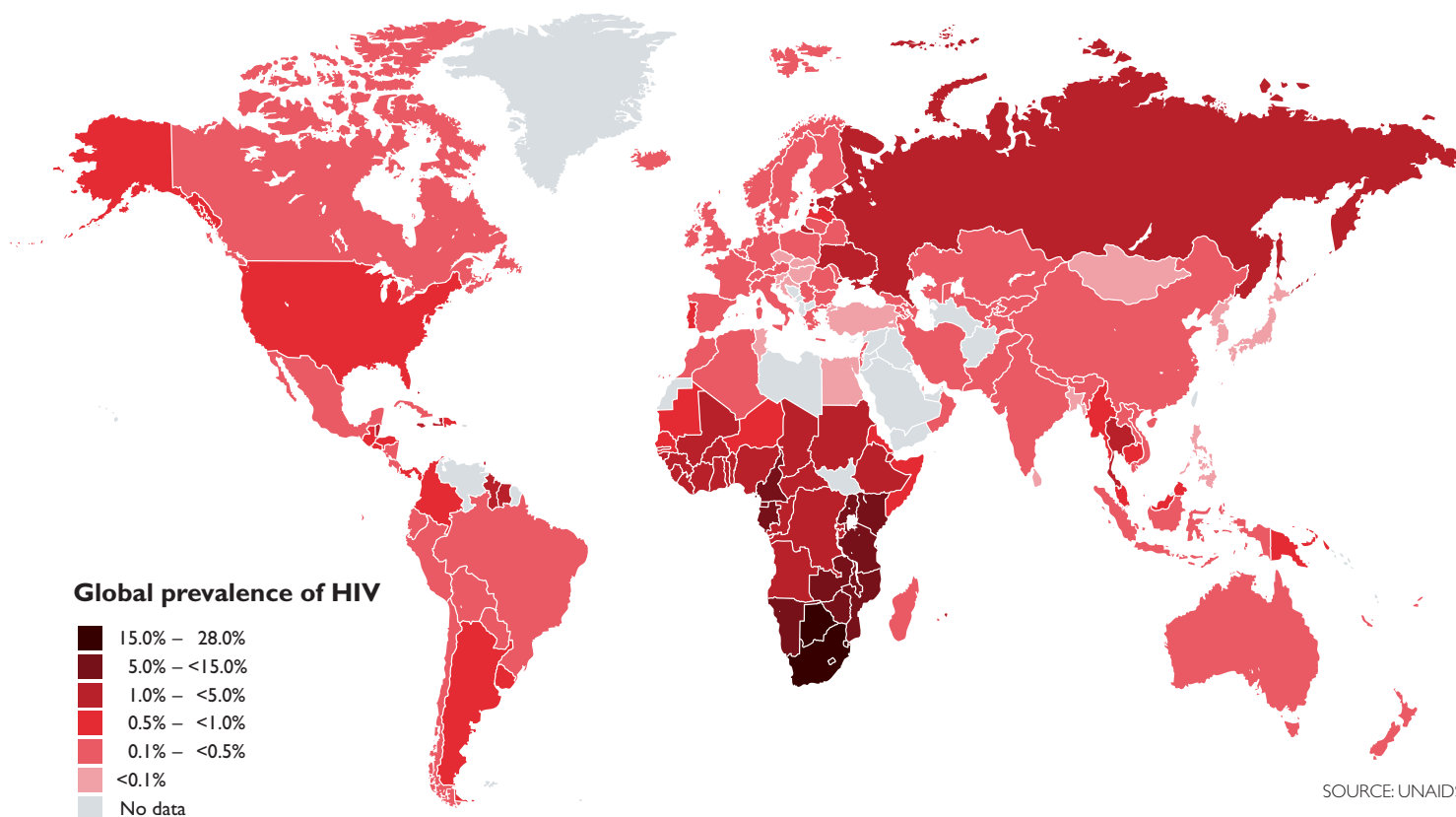
HIV/AIDS: getting to **zero**

Zero new HIV infections

Zero discrimination

Zero aids related deaths

After three decades of struggle, the battle against HIV/AIDS has reached a significant turning point. In the words of Michel Sidibé, Executive Director of UNAIDS, the world may finally be seeing “the beginning of the end” of the pandemic. Here, **Fatimah Zwanikken** tracks the fight against HIV/AIDS and examines the challenges of “getting to zero.”



HIV/AIDS was first reported on June 5, 1981, when the Center for Disease Control and Prevention in the United States announced a rare type of pneumonia in Los Angeles. It was later diagnosed as Acquired Immuno-Deficiency Syndrome (AIDS) – a disorder of the immune system caused by the human immuno-deficiency virus (HIV). Since then, the pandemic has claimed 30 million lives globally, leaving 17 million orphans and weakening individuals, families, societies, national development and economic progress at every level.

Poverty and HIV/AIDS: a lethal cocktail

Worldwide, some 34 million people are living with HIV/AIDS, including 16.8 million women and 3.4 million children under 15. In 2010 alone, 2.7 million people were newly infected, and 1.8 million died of AIDS-related illnesses.

Although HIV/AIDS respects no limits and boundaries, it preys mainly upon the most productive age groups (15-49 years) in the world's poorest or least developed countries (LDCs). Africa, home to the majority of LDCs, accounts for almost 70 percent or 23.3 million HIV-positive adults and children and 70 percent of HIV-related deaths globally, with South Africa remaining the

country worst affected. Asia – home to the majority of the world's poorest people – comes second with 4.8 million infected, followed by Latin America and the Caribbean (1.5 million), Central and Eastern Europe (1.5 million), and the Middle East and North Africa (0.7 million). About 2.2 million HIV-positive adults and children were living in the industrialized countries in 2010.

Important breakthroughs

The HIV/AIDS pandemic has united the international community like never before. Concerted action, commitment and determination have yielded tangible results, with the trajectory of new infections showing a worldwide decline of 20 percent since 2001. At the same time, fewer people are dying from AIDS-related illnesses; an estimated 700,000 such deaths were averted in 2010 alone. As a result, more people are living with HIV/AIDS, and living longer.

These positive developments have been made possible by a number of breakthroughs, the most significant among them being increased access to treatment, the use of therapy as a preventive tool and greater domestic investment.

In the South, access to highly active anti-retroviral therapy (HAART) expanded rapidly in the wake of the 2001 World Trade Organization

Declaration on the Trade-Related Aspects of Intellectual Property (TRIPS) Agreement and Public Health, which recognized for the first time the right of poorer WTO member countries to override drugs patents in the interest of public health, and paved the way for the local production of patent-protected HIV/AIDS drugs. Generic drug prices in low- and middle-income countries have since dropped dramatically to between US\$70 and US\$241 per person per year, compared with US\$10,000 to US\$20,000 in the North.

In addition to improving the quality of life and enhancing the survival of people with advanced HIV infection, anti-retroviral therapy, when used as a preventive tool, can cut the risk of HIV transmission by as much as 96 percent, provided the HIV-positive partner starts treatment early. The use of HAART in this way has gone a long way towards eliminating mother-to-child transmission of HIV.

With regard to investment, governments have increasingly come to realize that dedicating resources to the HIV/AIDS pandemic is a smart thing to do, since most of the extra spending is offset by savings on the treatment of those who would otherwise become infected, and on the drain on economic output, fiscal revenues and household budgets that would otherwise occur. In 2011, domestic investments surpassed international investments, with low- and middle-income countries accounting for more than half, or US\$8.6 billion, of dedicated AIDS funding, thereby reducing aid dependency and increasing national ownership and aid effectiveness.

The challenges

While the AIDS 2012 Washington conference heralded the beginning of an end to the pandemic, many challenges remain for the international community to meet the sixth Millennium Development Goal (MDG6) of halting and beginning to reverse the spread of HIV/AIDS by 2015, and ultimately, to “get to zero” (zero HIV infections, zero discrimination and zero AIDS-related deaths). Every day, over 7,000 people become newly infected with HIV, and for every HIV-positive person on treatment, two others are newly infected.

There is little hope of a cure in the immediate future. Alongside efforts to manage the pandemic, the international research community has been working to develop an effective vaccine. Progress, however, has been limited, with scientists describing HIV as a biological Trojan horse: rapidly mutating and persistently rebounding. The best vaccine so far gives only 30 percent protection, and researchers estimate that raising this percentage will take at least another 15 years.

For the time being, therefore, prevention and treatment remain the most effective tools. Here too, though, there are many obstacles in the way. In many parts of the world, HIV/AIDS continues to be an active, untreated pandemic, and although the number of newly HIV-infected people worldwide is on the decline, incidence is on the rise in several countries and regions as a result of various factors, most notably unprotected sex, mother-to-child transmission, injecting drug use and contaminated blood transfusions.

Weak government capacity and resources are another major stumbling block, particularly in sub-Saharan Africa. Assistance from the international community is vital to strengthen health and education systems, improve advocacy, prevention and testing, enhance access to adequate treatment and care, and help build the human, institutional and productive capacities required to confront the pandemic in LDCs.

Expanding and financing treatment

To prevent transmission, treatment would in theory need to be expanded to all 34 million people infected with the disease. Without effective HIV prevention, including advocacy, education, treatment, and comprehensive blood screening, the number of people requiring treatment will become unsustainable.

Since the 2001 WTO TRIPS ruling, important progress has been made towards universal treatment, forcing down the number of people dying from HIV-related illnesses to 1.8 million in 2010, from a peak of 2.2 million in the mid-2000s. Nonetheless, while treatment is available for some 6.6 million people, a further eight million in need of treatment did not have access in 2010. ▶

Global new HIV infections and AIDS-related deaths (1990-2010)

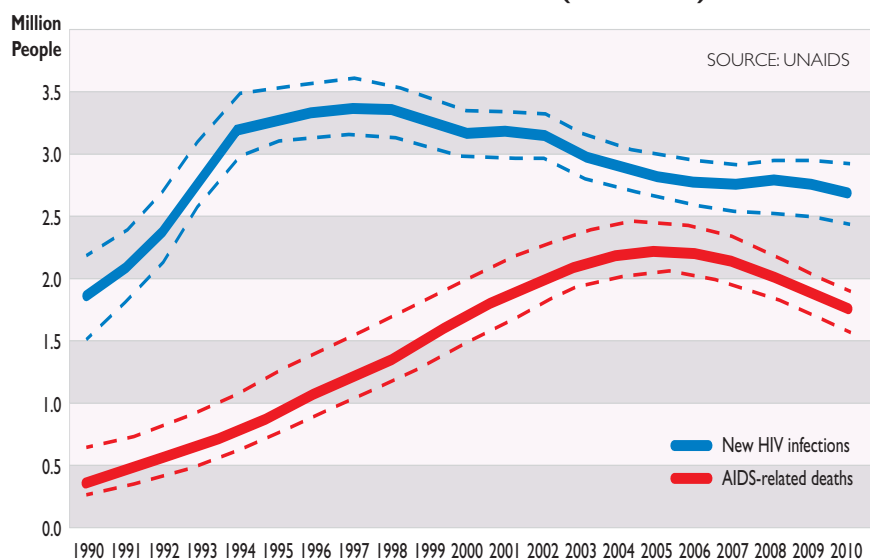
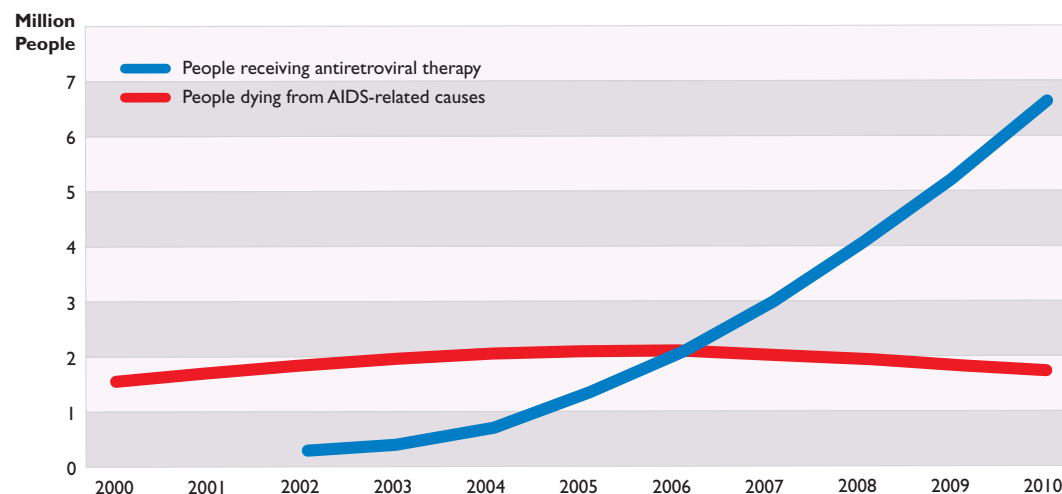




PHOTO: MARCO BARONCINI/CORBIS

An HIV information poster at a hospital in South Sudan, where only 45 percent of women aged 15-45 have heard of HIV/AIDS and 70 percent are ignorant of the three main forms of prevention. Education and awareness remain vital tools in the fight to stop the spread of the pandemic.

Number of people with access to anti-retroviral therapy and the number dying from AIDS-related causes, low- and middle-income countries, 2000-2010



SOURCE: Global HIV/AIDS Response - Progress Report 2011

◀ In terms of financing, an estimated US\$22-24 billion is required each year in order to reach MDG6 by 2015. With current AIDS funding standing at US\$16.8 billion, this leaves a gap of some US\$7 billion. Meeting this shortfall from both public and private sources, including scaling up of the Global Fund to Fight AIDS, Tuberculosis and Malaria, remains critical to achieving universal access to treatment and prevention, and ultimately, the “zero” targets.

At a time of financial constraint, emphasis is increasingly being placed on enhancing effectiveness and maximizing impact through efficiency, equity and evidence. National HIV/AIDS epidemics are experiencing important transitions, demanding that interventions be tailored to fit the evolving nature and dynamic of the pandemic. Such interventions, it is believed, should be built on a thorough understanding of the relationship between the epidemiology of HIV infection and the particular legal and socio-cultural environment, and on the principles of ownership, community engagement, shared responsibility and global solidarity.

Targeting high-risk groups, stigma and discrimination

Also critical to success is effective targeting. Young people aged 15–24 years accounted for an estimated 42 percent of new adult HIV infections worldwide in 2010. Young women aged 15–24 years account for 64 percent of all HIV infections among young people worldwide, and AIDS-related illnesses are the primary cause of death among women of reproductive age. Women are more affected in sub-Saharan Africa (59 percent of all

people living with HIV) and the Caribbean (53 percent), with young women aged 15–24 in sub-Saharan Africa more than two times more likely to contract HIV than their male counterparts.

Other high-risk groups include injected drug users – a major form of transmission particularly in Central and Eastern Europe, the Commonwealth of Independent States and Asia – sex workers, migrants, and the 30 million-plus men and women in prisons or other closed settings.

In trying to reach affected groups, especially those at highest risk, stigma, discrimination and denial remain serious hurdles. Breaking down such attitudes is essential if prevention, testing, treatment, counseling and care are to be universally accessible. Getting to “zero discrimination” would not only greatly facilitate the HIV/AIDS response, but would also represent an important step towards the realization of human rights and fundamental freedoms.

Aiming for zero

The tools, medicines and expertise to counteract HIV/AIDS do exist. And significant progress has been made. Nevertheless, achieving the 2015 global HIV/AIDS target and ultimately “getting to zero” shall continue to require a concerted and persistent international effort, including the scaling-up and effective use of financial resources. Unless the HIV/AIDS response is more effective, better targeted and fully funded, and prejudicial behaviors and policies ended, the virus will continue to claim millions of lives unnecessarily, weakening economies and societies and causing excessive and avoidable hardship, particularly among some of the world’s most vulnerable countries and people. ■



UNODC Executive Director, Mr Yury Fedotov.

The hidden face of AIDS

In some parts of the world, new HIV epidemics are being fuelled by unsafe practices among injecting drug users. In this interview for the *OFID Quarterly*, **Yury Fedotov**, Executive Director of the United Nations Office on Drugs and Crime (UNODC), describes the urgency of the situation and the immense challenges involved in reaching these and other marginalized people.

INTERVIEW BY AUDREY HAYLINS

OO: *Latest data shows that in some regions up to 80 percent of new HIV infections are due to injecting drug use. What are the main drivers behind this trend and what are the implications of such a trend for the global fight against the pandemic?*

YF: HIV among injecting drug users is mainly transmitted through the use of contaminated injection equipment and unsafe sex. HIV epidemics in drug injecting populations are avoidable; epidemics can be reversed. New infections among injecting drug users are virtually zero in some countries.

Elsewhere, however, access to health and prevention services remains low. Globally, only two clean needles and syringes are distributed per month per injecting drug user (IDU); only eight percent of IDUs are on opioid substitution therapy; and only four percent of HIV-positive IDUs are receiving antiretroviral therapy. Stigmatiza-

tion and discrimination of drug users is widespread. In some countries, the legal systems do not allow for science-based drug dependence treatment. Drug dependence treatment and measures to reduce HIV infections need to be integrated to maximize effectiveness.

Drug dependence treatment enhances the effectiveness of measures preventing HIV and treating AIDS. Studies show that significantly lower rates of drug use and related risk behaviors are practiced by IDUs in treatment. This is because individuals who enter and remain in treatment reduce their drug use, leading to fewer instances of drug-related risk behavior.

In some regions of the world, where the use of contaminated needles and syringes fuels the epidemics, there has been a 250 percent increase in HIV prevalence over the last decade. This contrasts with global developments, where we have observed a levelling-off of HIV infections, or even significant reductions in new HIV infections. Some new epidemics, driven by contaminated injection equipment, are evolving in some African countries. An end to the HIV pandemic will only be possible if the epidemics among IDUs are halted and reversed. This can happen only if evidence-based measures are put in place.

OQ: *What would you describe as the main challenges involved in reaching IDUs given their marginalized status in society? How does your organization go about overcoming these challenges, and is your work getting results?*

YF: IDUs are marginalized and hard to reach with effective interventions. My Office focuses on interventions based on science and human rights. The basic, underlying principle is that drug use and dependence is not a moral issue, but a medical and behavioral condition, which needs a broad spectrum of services. We advocate this in all international meetings, and we provide technical assistance to countries to put such measures in place.

We assist countries to review their laws so that HIV can be addressed among drug users. In many countries, the legal system was developed before AIDS. We also offer training for service providers and policy makers, as well as monitoring and evaluation systems.

Do we see results? Yes, we do. We are assisting more than one hundred countries with wide-ranging interventions. The policy of the Office is to make interventions sustainable. We argue for a buy-in of countries, the mainstreaming of HIV in national plans, and independence from official development assistance. We are not there yet in many countries, but I am hopeful we will reach that goal soon.

OQ: *UNODC is heavily involved with HIV/AIDS programs in prisons. In fact, it was the theme of your satellite session at AIDS 2012. Could you explain what the main issues are in this type of environment?*

YF: The HIV situation in prisons is severe; infection rates are often 50 times higher than in the community. Co-infections with hepatitis or tuberculosis are widespread. AIDS and tuberculosis are the most widespread causes of death in prisons. At any given time there are at least ten million people in prisons.

The annual prison turnover is approximately thirty million. When prisoners return to their communities, their families and partners, any infection acquired in the prison is transported to the community. All modes of HIV transmission in the community exist also in prisons: there is sexual transmission, blood-to-blood and mother-to-child transmission. And because prisons are often under-resourced and overcrowded, services for at-risk populations are often non-existent or of substandard quality.

Our advocacy work for HIV prevention in prisons is guided by the principle of equivalence, meaning that services available in the community need to be also available in prisons. If prisons are excluded from a national AIDS response, HIV epidemics will not be controlled because prisons are fuelling and re-fuelling national epidemics.

Within UNAIDS, UNODC is responsible for the response to HIV in prisons. This responsibility, very much linked to the mandate on criminal justice and prison reform, is an important and growing part of our work. We have developed a set of technical and policy guidelines, and large-scale programs in various parts of the world are underway.

OQ: *Another area of HIV/AIDS that your Office is involved in is that of people who are vulnerable to human trafficking. How great a problem is this within the wider context of the pandemic? What kind of actions can be taken to address it?*

YF: The link between trafficking in human beings and the risk for HIV infection is gaining attention. Millions of people are in forced labor (including sexual exploitation) at any given time as a result of trafficking. Results suggest that HIV prevalence among trafficking victims is disproportionately high, in particular among women and young girls (ranging between 40 to 90 percent).

Trafficking has a profound negative impact on the health and wellbeing of the victims. Most victims have been exposed to various risks of infectious diseases. Among the most significant ►

“An end to the HIV pandemic will only be possible if the epidemics among injecting drug users are halted and reversed. This can only happen if evidence-based measures are put in place.”



UNODC is working in the field with its partners, including OFID, to address the challenges posed by HIV among injecting drug users and other vulnerable people.

◀ potential health consequences of trafficking for sexual exploitation is the risk of HIV infection.

Individuals vulnerable to human trafficking, particularly women and girls, should be provided with comprehensive, gender-sensitive, HIV prevention and care in countries of origin and destination. In addition, countries are encouraged to set in place large-scale awareness and advocacy campaigns on the nature and extent of human trafficking and the related HIV risks and response. These programs should provide at-risk groups with information on HIV transmission, and how to protect themselves from entering a trafficking situation and being infected with HIV.

OO: *OFID and UNODC have been working together against HIV/AIDS since 2003. Indeed, a new joint initiative is in the pipeline. How would you describe this partnership? Is it delivering results?*

YF: The OFID-UNODC initiative addresses crucial determinants of HIV among drug users and in prisons, namely the legal frameworks of countries to create a favorable environment and the quality of services.

The second phase of the OFID-UNODC partnership in selected Central Asian countries was launched in 2010. This program provides technical assistance in the development of model health and social protection services to ensure access to evidence-based and cost-effective interventions in community and in prison settings to populations most at-risk.

However, we need to keep in mind that any HIV/AIDS intervention among drug users is guided by a comprehensive approach that treats these interventions as part of a continuum of care that includes drug use prevention, treatment and rehabilitation. In this connection, UNODC and OFID have also been working to remove barriers

to low-cost, effective and evidence-based drug treatment services in developing countries and to provide diversified, effective and quality drug dependence treatment and rehabilitation services, including HIV/AIDS prevention and care.

The Treatnet project is being implemented in 26 countries in five regions. A major achievement has been the successful implementation of a knowledge-sharing mechanism through which thousands of professionals from a wide range of disciplines related to treatment of drug dependence have been trained worldwide. More than 11,000 drug treatment service providers from various disciplines, and working at different levels/stages of the treatment system, have received training on evidence-based interventions to improve their professional skills.

OO: *Michel Sidibé of UNAIDS said in Washington that it was “the beginning of the end” of the HIV/AIDS pandemic. Do you share his optimism? What do you consider to be the way forward?*

YF: I agree with Michel. Due to a sustained effort, HIV epidemics show signs of levelling off. In many countries, the number of new infections has decreased over the past ten years. HIV has been integrated into national development plans. Significant resources are available through official development assistance and from national budgets.

There is also progress in sciences and on how to control HIV epidemics. We know that male medical circumcision has a strong preventive effect. We have strong data supporting that treatment with anti-retroviral therapy reduces the risk of HIV transmission significantly, if started very early. And we clearly know how to prevent HIV infection.

But we feel also the effects of the global financial crisis. There is some reluctance from donors to continue to invest in HIV. So, we are at a crossroads: If the international community stops investing now, we risk paying for AIDS forever. But if we intensify our efforts now, we have a real opportunity to end AIDS.

UNODC faces specific challenges because we deal with two of the most vulnerable populations: drug users and prisoners. As mentioned before, epidemics in these groups continue to grow, because they are often neglected. Therefore, we need to redouble our efforts to address HIV among drug users and prisoners. I know that some countries make tough decisions when introducing a comprehensive package of interventions. But AIDS will only end if they do so. We must stop the virus being transmitted through contaminated injection equipment and in prisons. ■



AIDS 2012 heralds “beginning of the end”

For the first time in the history of HIV, an end to the pandemic seems to be within reach. This was the promising message of the XIX International AIDS Conference which held in Washington, D.C., July 22 to 25.

BY DR MAHMOUD KHENE

“Turning the tide together,” the theme of AIDS 2012, captured what many consider to be a unique moment in the history of the HIV pandemic. If the world can act decisively on recent scientific advances in HIV treatment and biomedical prevention, build momentum for an HIV cure, and harness evidence of the ability to scale-up key interventions in specific, high-priority settings, it is widely believed that an end to the pandemic is on the horizon.

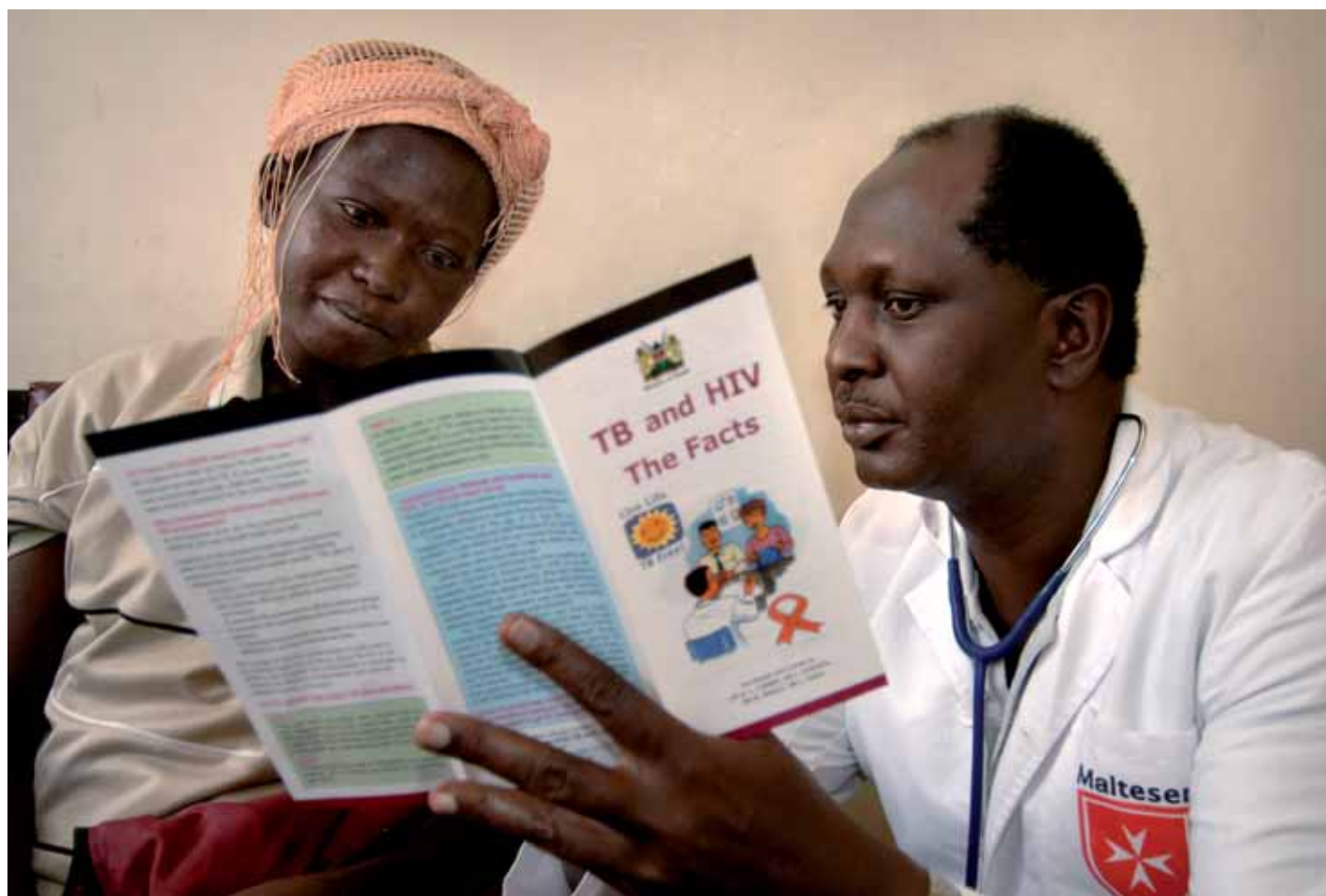
Since 1985, the biennial international AIDS conferences have provided a forum for stakeholders – from senior government

officials and heads of international organizations to civil society leaders and scientists – to discuss where the world stands in the fight against AIDS, to take stock of lessons learned, to review latest innovations and developments, and to capitalize on the accumulated knowledge in order to move forward in the fight against HIV.

The gathering is, in fact, the largest regular conference on any health or development issue. This year, an estimated 24,000 participants from some 180 countries took part in a series of sessions, panels and community-led discussions that fo-

cused on mobilizing governments and communities to achieve the vision of zero new HIV infections, zero discrimination and zero AIDS-related deaths.

The focus of the main debates revolved, unsurprisingly, around the 10 global AIDS targets agreed upon by UN Member States at the UN High Level Meeting on AIDS in June 2011 – in particular, the goals of eliminating new HIV infections among children, reducing sexual transmission of HIV by 50 percent and getting 15 million people on HIV treatment, all by 2015. ►



AIDS 2012 called for greater integration of HIV and TB programs. Although mostly preventable and curable, TB is the most common opportunistic disease and the most frequent cause of death in patients infected with HIV.

◀ Encouraging as the results to date may be, however, the wide consensus among chief actors in Washington was that unless investment in the HIV response increased, these goals would not be realized.

An AIDS-free generation

For sub-Saharan Africa, home to some of the poorest countries, the challenges are particularly daunting. Of the 34 million people living with HIV globally, 23.5 million are to be found in countries south of the Sahara. From the total number of children living with HIV, a staggering 90 percent are in Africa.

A high-level panel, organized by the Sub-Saharan Africa Work Group of the AIDS 2012 conference, sought to identify effective interventions that could bring about progress on

a continent where poverty is endemic and health systems struggling to cope with an overburdening epidemiological transition – in other words, a shift from infectious and deficiency diseases to increasingly prevalent chronic and non-communicable diseases.

Mme Pohamba, the First Lady of Namibia and Chair of the Organization of African First Ladies against HIV/AIDS, highlighted the significant gains made in reducing new HIV infections among children. Although some 300,000 children in sub-Saharan Africa had been newly infected in 2011, she pointed out that this number represented a decline of 26 percent over 2009. Effective prevention programs, she emphasized, were those that led to the elimination of mother-to-child transmission and to zero new HIV infections among children.

Global funding still critical

The panel noted that the targets, while ultimately achievable, were inadequately financed, with current domestic resources devoted to AIDS falling far short of the total investment needed on the continent. Only a few African countries were meeting the Abuja target of allocating 15 percent of their national health budget to AIDS. Moreover, even if all countries were to abide by this self-imposed budgetary discipline and allocate resources according to disease burden, the US\$4.7 billion in domestic investment that could be generated by 2015, would not suffice. It was agreed, therefore, that substantial, sustained and predictable international assistance would still be required.

As Professor John Idoko, Director-General of the National Agency for the Control of AIDS in Nigeria stated, a major risk to AIDS programs in Africa was the lack of long-term funding. Many African economies, however, were growing rapidly, he added, and this would provide an opportunity for countries to increase domestic financing of their national AIDS responses.

National ownership and integrated responses

In the same vein, panelists emphasized Africa's determination and action aimed at promoting Africa-owned solutions. The landmark roadmap on shared responsibility and global solidarity adopted at the African Union Summit in July 2012 was considered to forcefully reinforce the response to AIDS. Structured around three pillars, namely health governance, diversified financing and access to medicine, it defines clear goals and expected results, and delineates role and responsibilities for each stakeholder. Panelists agreed that this renewed and unambiguous political commitment could prove a real game changer for the continent.

The relevance of national ownership and leadership was highlighted further at a series of panel discussions which explored how countries could play a more central role in responding to their epidemics. Beyond strong political engagement, inclusive leadership, and robust national strategic plans built on reliable information, the sessions revealed clearly that HIV had to be integrated into broader health and development strategies.

A closer collaboration between HIV and Tuberculosis (TB) programs would yield the kind of benefits expected from a more systematic horizontal integration. TB is the most common opportunistic disease and the most frequent cause of death in patients with HIV infection in devel-

oping countries, yet TB is mostly preventable and curable. Joint interventions seeking to promote synergies between TB and HIV/AIDS prevention and care activities were highlighted throughout the conference, as was the need to expand existing collaborative efforts.

Another devastating, although more silent, epidemic was identified as unfolding in the shadow of HIV. Non-communicable diseases (NCDs) – in particular cardiovascular diseases, cancers, chronic respiratory diseases and diabetes – are the biggest killers worldwide. More than 36 million people die annually from NCDs, and more than 90 percent of these premature deaths occur in developing countries.

Many HIV programs already screen for TB and it would be highly profitable if these could be expanded to encompass a systematic screening for, and treatment of NCDs and their risk factors, such as tobacco use, excessive alcohol consumption, poor diet and physical inactivity. Several programs are also increasingly realizing the opportunity to screen for NCDs through the medium of existing HIV counseling and testing facilities.

Experiences shared during the conference revealed that many of the challenges in addressing HIV and non-communicable diseases were common. Even if the benefits of an integrated approach, as reflected in better access to comprehensive care, cost savings and reduced morbidity and mortality, were becoming more obvious, even more needed be done to efficiently coordinate activities across the continuum of care, from prevention to treatment, care and support.

Cautious optimism

Throughout the conference, a general feeling of cautious enthusiasm could be felt. Experts, decision-makers and people living with HIV seemed to agree that the international community today had the knowledge, the scientific tools and the political will to challenge the progress of the epidemic and to revert trends.

Dr Bernhard Schwartländer, Director, Evidence, Innovation and Policy, UNAIDS, pinpointed what was at stake: "If we focus on successful programs and bring down costs, substantial progress can be made," he claimed. This would require a certain boost in investments for a while – peaking at an additional US\$7 billion in 2015 – but this investment would result in driving down new HIV infections by well over half in less than a decade. "It would be exactly the wrong moment for international donors to cut back funding, now that the dynamic is going the right way," Schwartländer asserted. ■

Beyond strong political engagement, inclusive leadership and robust national strategic plans ... HIV has to be integrated into broader health and development strategies.

OFID at AIDS 2012



OFID's participation in AIDS 2012 took place on three levels: as a sponsor, as an exhibitor and as a delegation to the conference itself. As a committed player in the global alliance fighting the pandemic, OFID used the opportunity of the conference to keep up-to-date with all the latest developments, to network with partners and to explore ways and means of optimizing its contribution.

Alongside the conference, the AIDS 2012 Exhibition attracted over 170 exhibitors, ranging from large pharmaceutical companies and multilateral organizations to grassroots NGOs and individual countries. OFID's exhibition stand highlighted the developmental impact of HIV/AIDS and showcased OFID's efforts at achieving a better quality of life for poor people in developing countries. The stand drew hundreds of visitors and was a hub for much of the institution's networking activities throughout the conference period.



The OFID exhibition stand at AIDS 2012 was a hub for networking and the dissemination and exchange of information.

OFID sponsors participants at AIDS 2012

Among the 24,000 delegates attending AIDS 2012 were some 850 people whose participation was funded through the conference's scholarship program. Here, some of the 70-plus scholarship winners sponsored by OFID share their impressions of the gathering and reflect how their experiences might influence their work back home.

Gerard D. Ompad, Philippines,
graduate student/researcher in the
area of tropical medicine and
communicable diseases



"I have been able to meet many people during the sessions. This is especially important for me as a young investigator and someone quite new to the science of HIV, although I

have been working within the community for several years in this area. The conference has really helped me network with other young researchers and share knowledge in terms of basic science. I was also able to hear new ideas from senior scientists and senior community health workers. I hope to echo what I have learned here when I return home."

Mbaihoroum Nahari, Chad

"Attending this conference has been of great importance to me. I will take with me a lot of experience from attending the various sessions and will share it with the young people within my community in Chad. This conference has given me a lot of courage to fight even more, and with more tools, to combat HIV/ AIDS."



Nwuba Chioma Onyinye, Nigeria,
community health worker

"I work to help strengthen health systems, especially at the community level, in the area of laboratory services.

I have always wanted to attend this conference because it represents an opportunity for me to showcase the work we do. We noticed that many HIV-positive pregnant women found it difficult to return [to the clinic] for their regular test results, as they lived in communities with difficult terrain. So what we do is, during their first visit, harmonize a way in which we can provide their laboratory results."

Martin-Mary Falana, Nigeria,
Executive Director of the NGO
Kids and Teens Resource Center

"Coming to this conference has been wonderful because it has provided a platform for me to learn of best practices from others all over the world. I have also been able to share experiences of what I do in my own organization, and what I have done that has worked. I am the executive director and initiator of Kids and Teens Resource Center, which is an NGO established to support and advance



the efforts of government and other stakeholders to ensure that we have a better future. We do this through empowerment, mobilization, capacity building and mentorship. We also offer services for troubled children including AIDS care, education, nutritional support, shelter and many other things for children who are vulnerable within their community."

Nelson Massawe, Tanzania,
youth ambassador
and NGO worker



"When I knew I was sponsored I was so proud, because I didn't know how I could attend the conference and truly felt

special. I also made a lot of contacts and connections by being here. I am a youth ambassador and work with an NGO which empowers youth in different sectors so that they can gain skills and receive counseling."

Makani Vimbainasve, Zimbabwe,
NGO worker

"I work for a program which focuses on treatment for prevention, which is the message I hope to take back to my community in order to achieve the 2015 goal of HIV/AIDS elimination. I plan to advocate for HIV testing and to encourage infant testing, as well as couple participation in our program."





AIDS 2012 attracted some 24,000 delegates from around the world and from all sectors of the population, including scientists, politicians, community workers and youth.



PHOTO: IAS/STEVE SHAPIRO – COMMERCIALIMAGE.NET



PHOTO: AIDS2012/CHLA JEFF



OFID's partners speak

In the fight against HIV/AIDS, OFID works with a broad coalition of strategic partners to ensure that its assistance is effective in addressing the multiplicity of challenges associated with the pandemic.

These long-standing relationships include the various specialized agencies of the United Nations system, such as the International Labor Organization (ILO), UNDP, UNESCO, UNHCR, UNICEF, UNODC the World Food Program and the World Health Organization, as well as bodies like the International Development Law Organization and the International AIDS Vaccine Initiative (IAVI). At AIDS 2012, OFID had the opportunity to interview three of these partners to learn more about the impact of supported initiatives.



Alice Ouédraogo, Director of the ILO Program on HIV/AIDS and the World of Work. *OFID extended grants totaling US\$4.5 million to co-finance two HIV/AIDS workplace policy projects in Sub-Saharan Africa, Latin America and the Caribbean.*

“We started partnering with OFID in 2006. ILO’s aim is to bring the employment angle into the fight against HIV/AIDS, because the workplace is a very strategic point to reach out to people, particularly those who are very difficult to reach.

“Our joint projects with OFID enabled us to help countries adopt workplace policies, particularly in the sectors where HIV is a very serious issue, such as mining, transport, tourism and so on. Our partnership has really helped us leverage support from other countries. For example, we were working in Honduras after the coup – it was a very difficult situation – but thanks to the joint OFID/ILO program we were able, together, to bring governments, workers and employers around the same table to start discussing issues. This cohesion enabled discussion concerning not only HIV but also other development issues. Having partners like OFID is key; we need more partners that understand that the workplace cannot be overlooked, otherwise there will be large parts of populations that we cannot reach at all.

You can learn more about the ILO’s work at www.ilo.org



Wayne Koff, Chief Scientific Officer and Senior Vice President of IAVI. *OFID’s US\$3.5 million grant co-funded an OFID/IAVI partnership for an effective AIDS vaccine.*

“OFID’s grant has helped support our work in eastern Africa, a region where a vaccine could make a major contribution to stopping new HIV infections, and where we are doing a series of research and prevention studies. Our initial AIDS vaccine trials were carried out in Kenya, and OFID’s support has helped us build upon our work there. We are now conducting safety and immunogenicity trials, which are the initial stages of our clinical trials, when we try to optimize the dosage and scheduling of the vaccine. The best vaccine candidates will then advance to the efficacy trials, a stage that we hope to reach in around two to three years.

“IAVI has enjoyed its partnership with OFID, and there is another proposal [in the pipeline] which would allow us to continue our efforts to evaluate promising vaccine candidates in clinical trials. Our relationship with OFID has been one of our most productive partnerships, and we look forward to continuing it in the future.”

Read more about IAVI here: www.iavi.org



Jack Downey, Senior Advisor on Relation Building and Resource Development, International AIDS Society (IAS). *OFID has supported the IAS International AIDS Conferences since the 2006 Conference in Toronto, Canada.*

“The International AIDS Conferences have blossomed over the years; evolving from a relatively small event comprising mainly scientists to a much broader affair that takes into account leadership and community issues. AIDS 2012 has set an attendance record, with approximately 300 exhibitors, over 5,000 speakers and 185 satellite programs. This year we have been trying to create ways for people who can’t afford to come to the conference to participate electronically. This includes the creation of hubs [mini conferences hosted by local organizations active in the AIDS response]. Our partnership with OFID has always been a strong and robust one ever since the days in Toronto, and we’ve appreciated the core support it has provided. It has allowed us to bring people from overseas; we have given 860 scholarships to people from low-and low-middle income countries to attend AIDS 2012, and without OFID’s support this wouldn’t have been possible.

For more information go to www.aids2012.org

OFID and CAF join forces to bring energy to the poor

The launch of a joint *Energy for the Poor Projects Preparation Facility* is set to consolidate the partnership agreement between OFID and the Andean Development Corporation (CAF) and bring an extra dimension to OFID's Energy Poverty Grant Program.

BY AHMED ALTABAI

In September, OFID's Governing Board gave the green light for the establishment of a grant-financed *Energy for the Poor Projects Preparation Facility* in the Latin America region. Conceived as a joint venture with the Andean Development Corporation (CAF), the Facility represents on-the-ground implementation of the Memorandum of Understanding signed by the two institutions in June 2010.

With an initial allocation of US\$1.6 million – an amount shared equally between the two partners – the Facility will seek to identify and prepare projects that will improve energy access among the region's poor.

OFID's US\$800,000 contribution is the latest in a series of grants approved under its *Energy Poverty Grant Program (EPGP)*, which was established in June 2011 with the aim of finding innovative solutions to energy poverty in rural and off-grid areas. The pro-

gram forms part of OFID's wider *Energy for the Poor Initiative*, which is currently the institution's primary strategic focus.

As its name suggests, proceeds from the EPGP are given exclusively in grant format, as the type of projects it supports are generally not suitable for other types of financing. The new Projects Preparation Facility, however, is expected to play an important role in identifying energy projects that could benefit from financing through other mechanisms or combination of mechanisms.

Fast, efficient solutions

Since its launch, the EPGP has extended eight grants amounting to around US\$4.6 million. These have supported a variety of projects that address different aspects of the hurdles involved in delivering energy to poor populations.

Two of the grants – for a multiregional initiative spanning Ethiopia, Honduras, Kenya, Malawi, Tanzania, Uganda and Zambia – successfully tackled the bottleneck presented by the limited financial capacities of rural distributors through the establishment of a revolving fund. With access to financing, distributors have been able to bulk purchase items like solar lanterns and clean cooking stoves to sell to the rural population.

Another two grants supported the energy requirements of the agricultural sector in Benin and Ghana through the provision of solar energy for drip irrigation and a scheme that utilizes the cassava waste to produce bio energy.

Two more grants helped finance the establishment of hydropower plants in Malawi and Rwanda – one of them leveraging more than US\$6 million in additional funding from the private sector – while



PHOTO: IFAD/GIUSEPPE BIZZARRI

The new OFID/CAF Facility will seek to identify and prepare innovative projects that will improve energy access among the poor in Latin America.

another grant supported a global call for proposals that produced 50 quality projects, from which three – in Cambodia, Tanzania and Ethiopia – were selected for financing.

Pooling resources

All activities under the EPGP are implemented through institutions well-practiced in the field. These include the Shell Foundation, the Renewable Energy and Energy Efficiency Partnership, the International Fund for Agricultural Development (IFAD), the Solar Electrification Fund, Practical Action, and the Global Village for Energy Partnership.

The joint venture with CAF solidifies efforts in recent years to establish formal partnerships with like-minded institution, with a special focus on energy poverty. OFID has now signed MoUs with the World Bank, the Asian Development Bank, the Arab Bank for Economic Development in

Africa (BADEA), IFAD, and CAF, and has been working to transform these agreements into action on the ground.

With this in mind, discussions are currently underway with BADEA to establish a similar facility to the one with CAF in sub-Saharan Africa. Likewise, negotiations are planned with the Asian Development Bank to set up a third facility in the Asia region. If they come to fruition, these plans would give coverage in all three developing regions and support the widespread identification and initiation of innovative energy projects.

Flexible approach to maintain relevance

While the OFID/CAF Facility will have as its main purpose targeted feasibility studies for projects that provide energy to the poorest segments of the population, its scope is

much wider. Based on the approval of both institutions, other activities could include energy sector analysis, improvement of government regulations and training in specific areas, capacity building in general, sub-regional programs, and seminars.

Access to the Facility will be open to both public and private entities, from government agencies (at the national, regional or local level) and international organizations, to NGOs, community associations, and private sector businesses or agencies.

With regard to implementation and monitoring, a first strategic meeting will take place one year after the official launch of the Facility to take stock of progress made and to consider expansion to other areas of strategic interest. Thereafter, OFID and CAF will meet every two years to assess the development of the program and, if required, revise priorities in terms of countries and areas of focus to be supported. ■

JULY 9

Public sector loan agreements signed

The Gambia. US\$12 million. Kotu Power Generation Expansion Project. To meet increasing energy demand in the Greater Banjul area, by replacing the already decommissioned 6.4 MW generator of the Kotu Power Station with a new 11.1 MW diesel generator.

Bangladesh. US\$30 million. Construction of Sikalbaha 225 MW Dual Fuel Combined Cycle Power Plant Project. To meet Bangladesh's growing electric power demands, by improving the accessibility, reliability and quality of supply to consumers in the project area.

Congo, Democratic Republic of. US\$6 million. Revitalization of Health Zones Project. To support the country's efforts to develop the health sector and improve access to, and the quality of, health services.

Congo, Democratic Republic of. US\$5 million. Development of Rice Cultivation in Masina Project. To increase food security, by reclaiming 725 hectares of agricultural land, constructing irrigation and drainage infrastructure, and providing agricultural machinery, storage facilities and rice drying areas, among other activities.



JULY 11

DG receives distinguished donors award

The award was presented by Mr Peter Ford, Representative of the Commissioner-General of UNRWA, in recognition of the support given to Palestinian refugees by Mr Al-Herbish and OFID. Accepting the Award on behalf of the OFID Family, the Director-General said that it was "OFID's privilege to be able to offer Palestinians hope for the future." He conveyed also his wish that OFID's partnership with UNRWA would continue to bear fruit.

AUGUST 7

Emergency grant approved

Palestine. US\$500,000. To help provide essential food supplies to the refugee population of the Gaza Strip. Channelled through UNRWA, the emergency grant is an expression of OFID's empathy with Gaza's refugee population in crisis. The beneficiaries will be some 133,250 families, about 702,000 individuals.

Members of the Supreme Council of the Teutonic Order in the OFID atrium.

OFID Director-General (*second from left*) receives the UNRWA distinguished donors award from Mr Peter Ford (*third from right*), Representative of the UNRWA Commissioner-General. Also pictured are Mr Robert Turner (*second from right*), Director of UNRWA Operations in Gaza; HE Dr Zuheir Elwazer, Ambassador of Palestine to Austria (*third from left*); Mr Mauro Hoyer, Director of Information, OFID (*far left*); and Mr Rachid Bencherif, Head of Grants Unit, OFID (*far right*).

AUGUST 13

OFID reaches 100,000 fans on Facebook

OFID's Facebook page was launched in 2011, to spread OFID's message and connect more directly with young people across the globe.

AUGUST 22

Order of Teutonic Knights visits OFID

The Supreme Council of the Teutonic Order, led by Grand Master Dr Brunner Paller, visited OFID to receive a tour of the HQ building which, as the Palais Deutschmeister, was the seat of the Teutonic Knights from 1870 to 1938. The palace was commissioned by the Habsburg Archduke Wilhelm, who was grand master of the Order from 1863 until his death in 1894.



SEPTEMBER 12

140th Session of the Governing Board approves over US\$200 million in new loans and grants**Public sector loans approved**

Bangladesh. US\$30 million. Road Connectivity Project. To upgrade 70 km of the Dhaka-Northwest Corridor and the Benapole and Burimari land ports. The project is expected to help reduce poverty for some 6.9 million people through improved access to jobs and social services, as well as easier transport of inputs and agricultural goods.

China. US\$18 million. Gansu Vocational Education Project. To expand and equip four vocational secondary schools in the prefectures of Linxia and Dingxi, benefiting over 19,000 students who will receive the technical skills needed to obtain better-paying jobs.

Egypt. US\$30 million. Rehabilitation of Irrigation and Drainage Pumping Stations Project. To modernize irrigation infrastructure to help boost food security and reduce poverty levels for approximately 215,000 people residing near the capital Cairo.

Malawi. US\$8 million. Nkhata Bay District Hospital Project (supplementary loan). To complete the construction of, and provide medical equipment and furniture for, a hospital that will serve over 400,000 people.

Morocco. €30 million. Kenitra Power Plant Facility Expansion Project – Phase I. To help satisfy the country's increasing demand for electricity through the installation of three new gas turbine units. On completion the project will help provide an uninterrupted and affordable supply of energy for nearly two million inhabitants.

Rwanda. US\$12 million. Electricity Access Scale-Up Project (supplementary loan). To improve access to reliable and cost-effective electricity services for households and priority public institutions (such as schools and health centers) in urban and peri-urban areas, as well as densely-populated rural areas presently unconnected to the grid.

Tajikistan. US\$14 million. CAREC Corridor 6 (Ayni-Uzbekistan Border Road) Improvement Project. To rehabilitate and reconstruct a road between Ayni-Panjakent and the Uzbek border, an isolated and remote area with high poverty levels. An estimated 343,000 people will benefit from enhanced access to marketplaces and social amenities, in addition to safer travel.

Tunisia. US\$50 million. Sousse-D Combined Cycle Power Plant Project. To help meet growing energy demands through the construction of a power plant situated 140 km south of the capital Tunis. The project will help to create jobs, enhance food security, boost important industries and improve living standards.

Grants approved

Andean Development Corporation (CAF). US\$800,000. OFID/CAF joint initiative Energy for the Poor Projects and Policies Preparation Facility in the Latin American Region. See story page 20.

Human Appeal International. US\$600,000. To help establish a seawater desalination plant in the Gaza Strip to provide safe drinking water supplies to schools and pre-schools, benefiting some 300,000 children.

United Nations Office on Drugs and Crime. US\$700,000. To support the project HIV and AIDS Prevention, Treatment, Care and Support for Women who use Drugs and for Women Prisoners, which will be carried out in Afghanistan, Bangladesh, Iran, Nepal and Pakistan.

Yabous Foundation. US\$100,000. To finance the purchase of an electricity generator to help address energy shortages at the Jerusalem-based Yabous Cultural Center. Some 400,000 people are expected to benefit from the scheme.

Research grants approved

Nyma e.V. US\$60,000. This project, which will be carried out in cooperation with the Red Cross, seeks to improve the health status of people in poor remote provinces of the Northern Plateau of Tibet, by strengthening the usage of traditional Tibet medicine.

Give Gaza. US\$100,000.

This project will establish, design, furnish and equip 12 libraries for children in marginalized areas of the Gaza strip. It will also recruit librarians for 24 libraries (12 of which have already been established as part of a previous OFID grant project). The direct beneficiaries will be some 15,000 children and about 2,500 mothers.

The United Nations Register of Damage caused by the Construction of the Wall in the Occupied Palestinian Territory UNRoD. US\$150,000. This grant will support the continuation of outreach and claim intake activities of UNRoD in the Occupied Palestinian Territory.

The Islamic World of Academic Sciences (IAS). US\$50,000. This grant will support the 19th Annual IAS Conference, scheduled to be held in Dhaka, Bangladesh, in May 2013, under the theme "Achieving Socio-economic Development in the Islamic World through Science, Technology and Innovation."

SEPTEMBER 17

Colombian delegation visits

The 15-strong delegation of officials from the Colombian National Police visited OFID within the framework of their Academic Program in order to learn about the institution and its cooperation with Colombia.



Officials from the Colombian National Police were treated to a presentation on OFID and its work.

Meetings attended by OFID**JUNE 28 – JULY 1**

BAKU, AZERBAIJAN
23rd Session of the Crans
Montana Forum

JULY 5-6

BRUSSELS, BELGIUM
European Communication
Summit

JULY 22 – 27

WASHINGTON DC, USA
XIX International AIDS
Conference (AIDS 2012)
See story page 13

SEPTEMBER 4

RIYADH, SAUDI ARABIA
Yemen Donor Conference

SEPTEMBER 17

VIENNA, AUSTRIA
Opening Session of the 56th
IAEA General Conference

SEPTEMBER 24

VIENNA, AUSTRIA
Meeting of the UN Secretary-
General's High-Level Group on
Sustainable Energy for All

www.ofid.org



140th Session of the Governing Board

Meeting on September 12, in Vienna, Austria, the 140th Session of the Governing Board approved more than US\$200 million in fresh funding for development. The bulk of the financing (US\$199.2 million) will be provided in loans, primarily for projects to combat energy poverty, but also in support of the agriculture, education, health and transport sectors of the eight recipient countries, six of which are in Africa and two in Asia. Grant financing amounting to US\$2.2 million will support initiatives in a variety of areas, including energy for the poor, HIV/AIDS, and water supply. The new approvals brought OFID's cumulative commitments to over US\$14.2 billion.



Mr Ahmed M. Al-Ghannam (*right*), Governor of Saudi Arabia, and Mr Abdulrahman M. Almofadhi, Alternate Governor of Saudi Arabia.



HE Dr Fadhil Nabee Othman (*right*), Governor of Iraq, and Mr Muwafaq Taha Ezzulddin, Alternate Governor of Iraq.



Ms Aisha S. Omar, Ad-hoc Alternate Governor of Nigeria.



Mr Sulistijo Djati Ismojo (*right*), Minister Counselor, and Mr Yulastiawarman Zakaria, First Secretary, represented Indonesia at the 140th Governing Board.

LOAN SIGNATURE photo gallery

July 9

Mr Al-Herbish with HE Abdou Kolley, Minister of Finance and Economic Affairs of The Gambia, after signature of the US\$12 million loan agreement for the Kotu Power Generation Expansion Project.



July 9

HE Mr Roger Shulungu Runika, Vice Minister of Finance of DR Congo, concluded two agreements; the first worth US\$6 million for a project to revitalize selected health zones, and the second valued at US\$5 million for an initiative to boost rice cultivation.



July 9

HE Mr Mosud Mannan, Ambassador of Bangladesh to Germany, signed a US\$30 million loan agreement to co-finance the construction of a combined cycle power plant, which will help meet the country's growing demand for electricity.





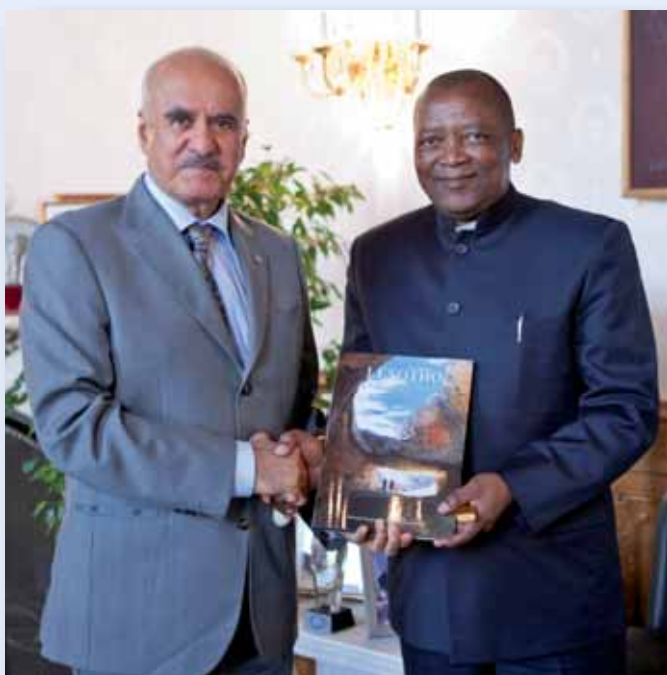
July 9

Dr Tareq Al-Zidjaly, Director-General of the Arab Organization for Agricultural Development, met with Mr Al-Herbish to discuss ongoing collaboration. The two organizations signed a Memorandum of Understanding in 2002.

VISITOR highlights

July 11

HE Dr Makase Nyaphisi, Ambassador of the Kingdom of Lesotho to Germany, paid a courtesy call on the Director-General. OFID and Lesotho have been partners in development since 1976.



July 17

HE Mr George Hallaq, Senior Minister of State and Presidential Envoy of the Republic of Guyana, was welcomed to OFID on behalf of the Director-General by Mr Saeid. Niazi, Assistant Director-General, Financial Operations.



August 9

HE Dr Surood R. Najib, Ambassador of the Republic of Iraq to Austria, paid a courtesy call on the Director-General.



August 20

HE Aliyar Lebbe Abdul Azeez, Ambassador of Sri Lanka, met with Mr Al-Herbish to discuss an official high-level OFID mission to his country.

August 28

HE Rachid Al-Khalife (*left*), Assistant to the Minister of Foreign Affairs of Qatar and HE Ali Almansouri, Representative of Qatar to Austria, during a visit to Mr Al-Herbish to discuss OFID's activities.



August 29

Mr Al-Herbish welcomed HE Ms Ayce Sezgin, Ambassador of Turkey, to discuss ongoing operations and potential avenues for future cooperation. OFID has supported development in Turkey since 1979.

VISITOR highlights



September 18

HE Mahmoud Hassan Elamin, Ambassador of Sudan, met with the Director-General to discuss current and future cooperation. Sudan was the recipient of OFID's first ever loan in 1976.



September 19

The Director-General received the Hon. Dr Kilemi Mwiria, Assistant Minister of Higher Education, Science and Technology of Kenya to discuss ongoing and future collaboration with OFID.

September 19

Mr Al-Herbish in talks with HE Mrs Therese A. N'Dri Yoman, Minister for Health and the Fight against AIDS of Côte d'Ivoire.



**OFID is carrying out interventions
against HIV/AIDS in 91 countries worldwide**

19

Latin America &
The Caribbean

2

Eastern Europe

44

Africa

Blood safety

Care and support

Prevention

Legal reform

Vaccine development

Child and youth education

Opportunistic infections

Voluntary counselling and testing

Prevention of mother to child transmission

26

Asia

*Surveillance**Conferences and meetings**Capacity building**Home-based care**Microbicide development**Anti-retroviral treatment*

OFID in the Field

Through its special grant program for HIV/AIDS, OFID is working in over 90 countries to stem the progress of the pandemic and bring support to all affected. To optimize its contribution, OFID has established alliances with 12 UN specialized agencies, including, among others, UNAIDS, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, WFP and WHO, as well as with independent agencies involved in areas such as vaccine development and health law. To date, OFID has provided more than US\$80 million in co-financing for some 40 projects. The case studies in the following pages highlight different aspects of OFID's front-line engagement in the battle against HIV/AIDS.



PHOTO: PICTURE CONTACT BV/ALAMY

Changing the lives of recovering drug users in Kenya

BY DAMELYS DELGADO AND AUDREY HAYLINS

Amina,* a young Kenyan woman in her early-twenties, had been drug-dependent for six years and living on the streets of Mombasa, when outreach workers from a local hospital convinced her to seek help. As an injecting drug user, she was a serious HIV risk to herself and to others.

Fast forward a few months, and with support from the hospital outreach program, Amina was finally able to wean herself off heroin and start getting her life back together. As part of her rehabilitation, she is now learning to sew so that she can support herself and become a productive member of society.

“I often have difficulties to concentrate, but our teacher is very patient,” Amina said when asked how her recovery was going. “We are 12 women in the class, and we help and support each other. All of us are recovering from drug use, and about half the group is HIV-positive.”

Amina is one of several hundred vulnerable people who have benefited from an initiative funded jointly by OFID and the United Nations Office on Drugs and Crime (UNODC). Being implemented in towns and cities across Kenya, its aim is to prevent the transmission of HIV/AIDS among injecting drug users by providing outreach through local grassroots organization.

*not real name

Drug use and HIV: a worrying trend

Injecting drug use is an emerging public health problem in Kenya, where 18 percent of such users are HIV-positive. The total number of people living with HIV in the east African country stands at 1.5 million.

According to UNODC's Dr Reychad Abdool, Senior Regional HIV & AIDS Adviser, Africa, the main reasons behind the increase in Kenya's HIV infection rate are structural and social factors, such as poverty, gender inequality and human rights violations.

To help free people from drug dependency and related HIV transmission, the OFID/UNODC "sustainable livelihood program" offers basic socio-economic assistance to meet needs such as food, healthcare, hygiene and income-generation. Individuals taken into the program are entitled to one meal a day, basic medical services, showers and group or individual therapy, as well as access to training and business opportunities.

Nairobi Outreach Services (NOSET) is one of the grassroots NGOs involved in the project. It runs two drop-in centers which provide services for around sixty former drug users. Esther, a community counselor with NOSET, explains how the centers work: "Services start with food provision. Receiving food motivates the drug users to come regularly, keeps them off the street and encourages them to take part in counseling.

"Over time, the physical and mental health of the clients improves, they start to reduce risk behavior, such as sex work, stealing and affiliation to criminal gangs, and agree to HIV testing and treatment."

Once regular contact is established, Esther's clients are put in touch with groups that offer training and eventually the possibility of earning

an income. "This gives them new hope and a sense of purpose," she says. It is not always straightforward, however.

"We give clothes and medication only to those that come regularly, because there is a risk that those products might be sold to purchase drugs when given out upon initial contact," says Esther. "And relapse occurs frequently, particularly among those who are trying to recover from injecting drug use."

Becoming productive in communities

Challenges apart, the OFID/UNODC program has had remarkable success in promoting the economic empowerment and social reintegration of people affected by HIV/AIDS and drug abuse.

Within a year of the initiative starting, 40 recovering addicts had been admitted to electrical appliance training colleges and 30 youths were in full-time employment growing vegetables in greenhouse projects. There is also a community-owned and led charcoal briquettes enterprise which has created employment for at least 200 former drug users. Another group of recovering addicts has set up a business selling and leasing solar lamps to communities suffering from energy scarcity.

For individuals that have recovered from drug dependency, a local partnership has been established with the International Labor Organization to offer training on how to generate business ideas and start a small enterprise.

These steps may be considered small in the wider context of the HIV/AIDS pandemic, but for each individual helped under the project, it means the start of a new life and hope for the future. ■



PHOTO: UNODC

Participants in an outreach program run by Bomu Hospital in Mombasa, which teaches sewing skills to young women recovering from drug dependence and infected with HIV.

Bhutan: Gross National Happiness to rise with safe blood

Safe blood screening to prevent HIV/AIDS transmission and hepatitis infections has been earmarked as an OFID/WHO priority in the mountainous country of Bhutan, where infected blood by paid donors is often passed on through blood banks.

BY PHILIPPA WEBB-MUEGGE





Schoolchildren, their parents and other members of a school community attend a talk on blood donation as part of the drive to encourage voluntary donors.

The growth of the AIDS epidemic and high transmission rates in hepatitis B and C has focused attention on the many problems involved in providing safe and efficient blood transfusion services in resource-limited countries.

As a response, OFID has been working with the World Health Organization to tackle capacity-building shortcomings in the national blood transfusion services of a group of Asian countries, including the Himalayan Kingdom of Bhutan, where the number of HIV/AIDS cases has increased over the last ten years partially due to unsafe blood transfusions.

Blood as currency

Although blood transfusion services attempt to find replacement or voluntary blood donors who are family members, it is paid donors whose blood makes up the shortfall in supply. In what appears to be a cruel twist of fate, these very donors are often HIV-positive drug users, who use their blood as currency to feed their habit. As a result, the general public is at increased risk of infection.

The most unfortunate fact of HIV transmission through infected blood is that the chances of contracting the virus is 100 percent, as opposed to infection through other means, such as sexual contact. ►

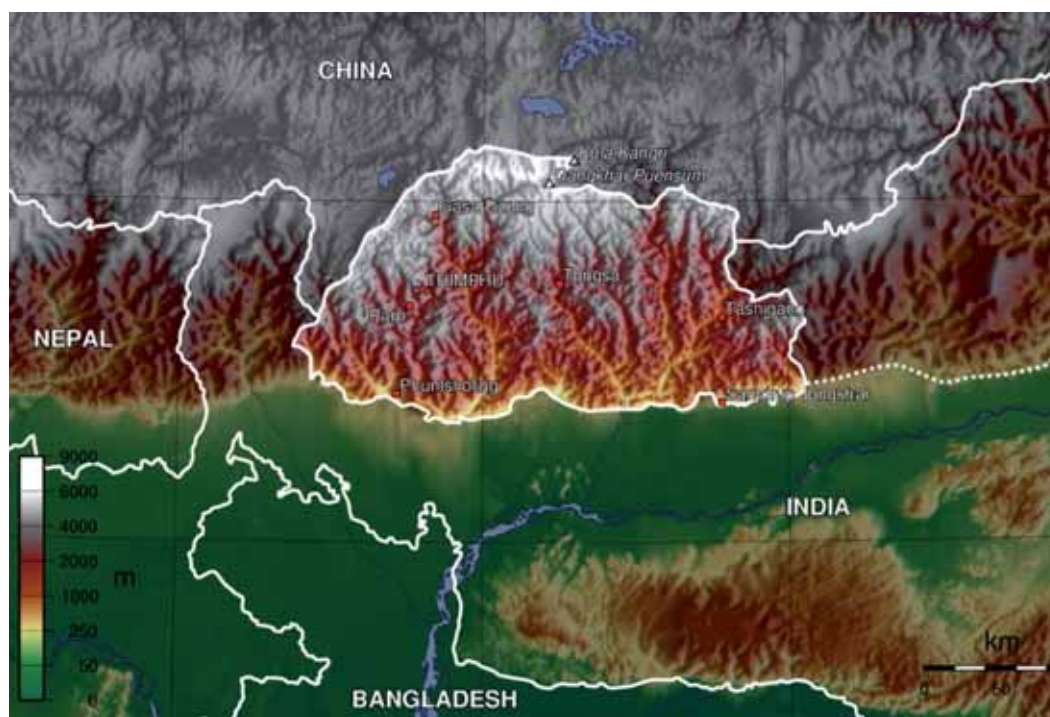
Young organizers and donors at a special blood donation camp. Thanks to the success of such camps, voluntary donations in Bhutan have risen from 40 percent to 56 percent in just 12 months.



PHOTOS: WHO

Bhutan's mountainous landscape and scattered population makes the job of blood collection and transfusion fraught with difficulties.

With the special refrigerated vehicles supplied under the project, these obstacles have largely been overcome.



SOURCE: Wikimedia

Supported by OFID, WHO is on the ground in Bhutan to oversee the safe collection, testing, processing, transportation and transfusion of blood. This has involved working with the Ministry of Health and the National Blood Transfusion Service not only to assess the existing blood screening system, but also to identify the special needs and challenges for blood safety in the country. A framework for implementation was formed to include quality control checks and independent assessment of operations at the country's 27 hospital-based blood centers over the duration of the three year project, which is due to conclude in mid-2013.

Conquering mountains

The unique topography of Bhutan makes the job of blood collection and transfusion fraught with difficulties, such as accessing remote areas across mountainous terrain and difficult to navigate roads in conditions that can be hazardous. The responsibility of passing on quality blood additionally requires sufficient funds and trained staff, as well as a local knowledge of where the problem areas lie to sufficiently address them.

Under the project, the assessment teams in Bhutan highlighted some serious shortages, notably test kits for transfusion transmissible infections (TTI), vehicles for conducting mobile blood donation drives and transporting safe blood to hospital following screening, as well as

blood bank refrigerators (one required for each van). These equipment shortages mostly have been rectified, thanks to the OFID/WHO initiative. In addition, more than 90 blood bank staff have been trained in quality-assured blood screening.

Immediate impact

Addressing these weaknesses has, in turn, facilitated the availability of blood in outlying health-care facilities, where timely transfusions can now be carried out on patients with acute blood loss following childbirth, accidents or surgery, as well as on patients with chronic anemia. An immediate result of this has been a reduction in maternal mortality rates, which were previously high.

Considerable steps also have been made in getting the right blood donations, with the number of voluntary donors rising from 40 percent in 2009 to 56 percent in 2010. This has largely been achieved through mobile blood donation campaigns. The country's target is to raise the percentage of blood collected from voluntary non-paid blood donations to 75 percent by 2013.

As a nation, the Bhutanese are inordinately proud of their unique Gross National Happiness Index, an official measure designed to enhance happiness by focusing on nine areas, including health. By putting a smile on peoples' faces, the OFID/WHO joint initiative is proving to be instrumental in contributing to this vital index. ■

Nutrition for improved response to HIV treatment

BY DAMELYS DELGADO

There are many aspects to be considered when dealing with the complexity of AIDS. One of these is nutrition, since AIDS patients often suffer a loss of appetite that results in weight loss and malnutrition. This acts as a double blow, as there is an increased need for energy and nutrients to fight infection.

Adequate nutrition improves the efficacy of drug metabolism and helps people living with HIV to maintain stable health and productivity levels, thus managing HIV as a chronic but treatable illness.

A healthy, balanced diet helps to maintain body weight, enhances the body's ability to fight infection and improves response to treatment. It also slows the progression of the syndrome, prolonging the time between HIV infection and the onset of the first symptoms. Good nutrition provides individuals with the energy to keep active and to care of themselves, and even to work.

A capacity building project

Together, OFID and the World Food Program (WFP) supported a project in Latin America and the Caribbean, where, according to UNAIDS, more than two million people have HIV/ AIDS. The objective of the project was to strengthen the commitment and capacity of governments and other key actors to integrate nutrition intervention with HIV prevention and treatment. Titled "Universal Access to HIV Treatment, Prevention and Care in Latin America and the Caribbean", the project provided technical support and training for health workers in countries across the region.

Ms Shirin Hashemzadeh, OFID technical assistance officer in charge of the grant given to the WFP, pointed out that OFID supports a wide variety of AIDS programs, including providing help to the needy through the distribution of clothing and meals.

"OFID is aware of the fact that proper nutrition affects the outcomes of the treatment programs. This aspect has always been given consideration in our activities," she



PHOTO: WFP/XIMENA LOZA

Eating the right foods improves the body's response to treatment and its ability to fight infection.

said. "In addition we contribute to comprehensive packages for HIV prevention, testing, treatment, care and support services as well as mother-to-child transmission in different countries. Furthermore, we co-finance the provision of technical assistance and training programs as a part of livelihood security strategies."

To date, the joint project with WFP has benefitted 9,000 people in Bolivia, Ecuador, the Dominican Republic, Panama and Peru. Several workshops have been held to train instructors in the role of nutrition in HIV treatment, and a variety of materials and guides have been developed and distributed. Specific to each locality, these address the availability of food and access to medications.

Another step toward the goals of zero new HIV infections, zero discrimination, and zero AIDS-related deaths, has been the integration of food and nutrition strategies to increase program adherence and to improve treatment.



HIV and the loneliness of the long-distance driver

A pioneering study co-financed by OFID and the International Labor Organization (ILO) has broken new ground by measuring HIV/AIDS vulnerability among transport workers in Paraguay.

BY ANNA ILARIA-MAYRHOFER

Long-distance driving is a stressful and lonely job, involving long hours on the road and often extended administrative delays at border crossings. In Paraguay, where overnight accommodation is of poor quality or expensive, most truck drivers sleep in their vehicles. It is an isolated lifestyle, and one conducive to the kind of risky sexual practices that leave truckers susceptible to HIV infection.

The aim of the ILO study, *A truck driver's life: Working conditions and sexual health*, was to measure the HIV/AIDS vulnerability of transport drivers in order to design prevention and care programs in priority areas, and to engage in awareness-raising to reduce discrimination and stigmatization.

The research was carried out under a broader ILO/OFID project: *Application of HIV/AIDS Workplace Policies in Latin America and Sub-Saharan Africa*, which OFID co-funded with a US\$2.5 million grant.

With the help of a specially developed manual, truck drivers in Paraguay have been able to reduce their susceptibility to HIV.



PHOTO: LIANXUN/SHUTTERSTOCK.COM

HIV hotspots

In Paraguay, the majority of HIV cases among transport workers are concentrated in the capital Asunción, the Central Region and regions bordering Argentina and Brazil. ILO data showed that the largest prevalence occurred in so-called “hotspots:” stops where goods are loaded and unloaded or where truckers endure long waits to get their documentation processed.

In order to gain a better understanding of the situation from the workers’ point of view, the ILO devised a study to examine the issue of HIV vulnerability in seven cities where incidence is highest. Data was collected in the form of a questionnaire, which participants answered via a 45 minute face-to-face interview.

Those interviewed were 279 truck (goods transport) and 58 long-distance (passenger transport) drivers between the ages of 18 and 49. Questions covered areas such as frequency/location of

rest stops; routes regularly driven; frequency of condom use; fidelity in relationships; knowledge of HIV and its transmission; and, whether they felt they would lose their jobs if diagnosed with HIV; as well as attitudes and opinions on gender and sexuality.

Innovating for results

Eric Carlson, ILO’s Regional HIV/AIDS Specialist for South America, spoke to the *Quarterly* about the project. He explained that the study was the first of its kind in Paraguay – the first to look at the sexual behavior of men in the general population, and the first on HIV that focused specifically on truck drivers.

“We broke a lot of barriers,” he said. “We held roundtables with truck drivers, employers and people living with HIV/AIDS. They all shared information and as a result of this collaboration, we were able to devise a number of information materials, including a manual for truck drivers. The feedback we received really enriched these materials.”

ILO is at pains to point out that the study was carried out to gain a better understanding of the risk factors among the drivers in order to create viable solutions, and that the drivers were in no way singled out or “blamed” for the HIV situation. “Stigmatizing transport workers helps drive the problem underground and makes the disease spread faster,” the organization said.

As a result of the project, the transport sector in Paraguay was able to realize other achievements as well, such as the development of a national HIV workplace policy, as well as a national transport sector strategy that formed part of the Paraguay national HIV/AIDS response.

Success breeds replication

Carlson has since been approached by officials from Chile seeking to implement similar programs. Representatives from Africa and Asia have also expressed an interest in the model to apply to their own countries.

“We all know that there is a relationship between HIV and poverty,” said Carlson, pointing out that poverty eradication was a core part of ILO’s mission– its so-called ‘decent work agenda.’

“With the Paraguay study we broke barriers; we helped overcome homophobia and other forms of discrimination. There is a long road to travel, but we are on the right path now. And I think that’s largely because of the OFID/ILO relationship.”

You can read the complete study on the ILO website at www.ilo.org



Eric Carlson,
ILO’s Regional HIV/AIDS
Specialist for South America.

Third DCF calls for strong partnerships for development

The third biennial UN High-Level Development Cooperation Forum (DCF III) took place in New York in early July as part of the High-level Segment of the 2012 Economic and Social Council (ECOSOC) Session. The theme was “Drivers of Change: What is the Future of Development Cooperation?”

DCF III brought together high-ranking representatives and decision-makers from the governments of developing and developed countries, together with international organizations, regional development banks, bilateral development agencies, private companies and foundations, academia and civil society organizations. The main focus of the meeting was on building inclusive, effective and lasting partnerships for development as embodied in the eighth Millennium Development Goal (MDG8).

The forum noted that such partnerships were vital for addressing today’s many challenges to sustainable development (SD), which were identified as continuing inequalities, the global financial crisis, economic hardship, political uncertainty and social upheaval.

In addition, there were humanitarian crises as a result of shocks in food prices and climate change-induced natural disasters. Together, these factors continued to dominate the policy agenda and had changed dramatically the global context for development cooperation.

In his opening address to the forum, UN Secretary-General Ban Ki-moon stressed the importance of engaging all stakeholders, including civil society and the private sector, in efforts to eradi-

cate poverty and achieve sustainable development. “Only through collaboration, coherence and partnership will we achieve our development goals,” he said.

Meeting on the heels of the June Rio+20 conference in Brazil, the two-day forum reviewed current development cooperation trends and looked at ways of improving the quality and effectiveness of development cooperation in line with the objectives of the 2005 Paris Declaration on Aid Effectiveness, the 2008 Accra Agenda for Action, and the 2011 Busan Partnership for Effective Development Cooperation.

Topics considered included: the future of development cooperation; its role in unlocking other sources of development financing; the importance of mutual accountability and aid transparency; the evolving role of private philanthropic organizations and decentralized cooperation; and gearing global development cooperation towards sustainable development.

A range of speakers described a new development architecture in which South-South cooperation (SSC), private sources and global funds for international development cooperation were becoming increasingly prominent.



PHOTO: UN PHOTO/EVAN SCHNEIDER

*UN Secretary-General
Ban Ki-moon delivering
the opening address at
ECOSOC 2012.*

Participants discussed means to adapt development cooperation to the post-2015 SD agenda. They agreed that sustainable development goals should be a priority in resource allocation, building on existing initiatives and mechanisms to enhance aid effectiveness and avoid fragmentation.

There was also broad consensus that mutual accountability and transparency were crucial to enhancing development results at the national level. This, in turn, required strong institutions and legal frameworks at the global and regional levels.

Against the background of the prolonged economic crisis in the advanced economies, the forum stressed the need to harness the potential of SSC as complementary to North-South and triangular cooperation. Participants took note of the increasing scope and complexity of SSC, and the intensified exchanges between agents for SSC in recent years.

Developing countries, it was agreed, had deeper and stronger economic exchanges among themselves, and many continued to experience solid economic growth. The challenge for the international community today was to strengthen global economic governance so that

it could be more inclusive and effective, and produce the multiple stakeholder solutions on which sustainable development depends.

DCF III concluded with a strong call for increased collaboration and accountability among countries and the incorporation of sustainability objectives in national development goals. States were particularly called upon to deliver on the targets set for MDG8 – many of which remain unfulfilled – including market access, trade facilitation and technology transfer.

The DCF was launched at the 2005 World Summit as part of the High-level Segment of the Economic and Social Council (ECOSOC) in response to the growing complexity of the global aid architecture. Anchored in the global partnership for development as set out in the 2000 Millennium Declaration, the 2002 Monterrey Consensus, and the 2005 Johannesburg Plan of Implementation, the mandate of the DCF is to work towards implementation of the internationally agreed development goals, including the MDGs, and promote dialogue to find effective ways to support it. ■

Africa Caucus discusses ways to tackle poverty

African policy-makers have been meeting to examine the implications of the European debt crisis for the continent's economic growth and to discuss the key issues of employment creation, food security and improved energy access.

The two-day meeting in Kinshasa, Democratic Republic of the Congo, in early August, was held under the auspices of the *Africa Caucus*, a platform created in 2002 as a follow-up to the March 2002 *Financing for Development Conference*. Members comprise key representatives of Africa's financial community.

The Caucus was held amid fears that economic growth in the region might be affected by the European debt crisis and any subsequent deterioration in the global economic environment,

particularly trade and capital flows, and by a decline in commodity prices on which many African economies continue to depend.

While African countries weathered the global economic downturn better than past crises, progress towards the first UN Millennium Goal (MDG1) remains mixed. Despite important headway, almost half of the total population in sub-Saharan Africa (SSA) was still living below the absolute poverty line of US\$1.25 a day in 2008.



In a keynote address, Kandeh Yumkella (left) said that Africa's road to prosperity hinged on agribusiness, agro-industries and economic diversification.

Against this background, the Caucus meeting discussed measures to tackle poverty by reducing unemployment in the region, which remains unacceptably high. Unemployment rates are particularly steep among the youth, affecting about 13 percent of youth in SSA and 27 percent of youth in North Africa in 2011.

Twin challenges of energy and food

On energy poverty – the greatest stumbling block on the road towards sustainable economic growth and development on the continent – African countries face huge investment requirements to achieve universal energy access by 2030. Some 653 million people out of a total population of about one billion do not have clean cooking facilities. Energy needs are particularly acute in SSA, which has the lowest rate of electrification in the world, and where 585 million people – almost 70 percent of the population – lack access to electricity.

Among other key topics discussed at the meeting was the proposal to establish a *Pan-African financed Trust Fund* for food security involving 45 African nations. Food security is a long-standing challenge for Africa, which has been hit by severe droughts, particularly in the Horn of Africa. The Trust Fund – to be administered by the United Nations Food and Agriculture Organization – would raise resources to fight hunger and prevent and respond to future food crises.

In addition to ministers of finance and central bank officials, this year's Africa Caucus Meeting, which was opened by DRC President Joseph Kabila, also attracted officials of the United Nations and the African Development Bank. Participants included Mr Emmanuel Mbi, First Vice President and Chief Operating Officer of the African Development Bank, and Mr Kandeh Yumkella, Director-General of the United Nations Industrial Development Organization.

Agriculture is engine of economic growth

In his keynote address, Mr Yumkella said that Africa's road to prosperity hinged on three key factors: agribusiness, agro-industries and economic diversification. "Agriculture is the most important factor of the African economy and will have to be its driving engine out of poverty," he stated.

Yumkella stressed the need to boost agricultural productivity in order to achieve employment and generate sustainable industrial and agri-business growth and development, in line with the recommendations put forward by the *Comprehensive African Agricultural Development Program (CAAP)*.



PHOTO: JANE HAHN/PANOS

Growth in agriculture is the key to lifting Africa out of poverty.

"Generating employment in Africa must be a top priority," he said, calling upon African policy-makers to take decisive action to create decent job opportunities through economic diversification, increased resources, improvements in agricultural productivity, and water and energy efficiency.

The issues raised in Kinshasa shall be further reviewed during the World Bank/IMF Annual Meetings in Tokyo, Japan, October 9-14, when the Group will meet the Managing Director of the IMF and the President of the World Bank to discuss issues of global concern, including the world economic outlook, poverty eradication, and aid effectiveness.

Since its establishment, the Group has helped enhance the voice and participation of African countries in the agenda setting and decision-making processes of the World Bank and IMF. ■



Venezuela President, Hugo Chavez (*left*), joins hands with the presidents of Brazil, Dilma Rousseff (*second from left*), Uruguay, Jose Mujica (*second from right*), and Argentina, Cristina Kirchner (*right*), ahead of the Mercosur Extraordinary Summit in Brasilia, on July 31, 2012, which made official Venezuela's membership of the regional trading bloc.

Venezuela joins MERCOSUR

As a full member of the MERCOSUR trading bloc and customs union, Venezuela will have access to a lucrative export market and the benefits of further economic integration from the Caribbean down to Patagonia.

BY MIGUEL E. LINARES ALEMAN

In a recent decision by the Mercosur alliance, OFID founding Member Country, the Bolivian Republic of Venezuela, has been granted full membership status to the Common Market of the Southern Cone.

Speaking on July 31 at a special ceremony in Brazil to mark the occasion, Venezuelan President, Hugo Chavez described the move as his country's "largest historic opportunity in 200 years." He said that joining Mercosur would allow Venezuela to have "a much wider market to climb the scale" in its exports and also diversify its largely oil-driven economy.

Compared to other trade blocs, Mercosur now ranks fourth in terms of market size after the European Union (EU), the North American Free Trade Agreement (NAFTA) and the Association of the South East Asian Nations (ASEAN). Membership brings Venezuela a step closer to free trade within the common market and is expected to lead to greater efficiency and increased production within the country.

Mercosur, which was founded in 1991 by Argentina, Brazil, Paraguay and Uruguay, is almost three times larger than the EU in terms of surface area and is home to more than 260 million people, who generate a collective GDP of close to US\$3.5 trillion per annum. Now with the inclusion of Venezuelan bauxite, iron and other minerals, in addition to Venezuela's considerable petroleum and natural gas reserves, the Mercosur economic area is arguably the richest in terms of natural resources.

The impact of Venezuela's entry into Mercosur is expected to be significant. Venezuelan imports from Mercosur partners will provide Venezuela with a steady and relatively inexpensive supply of foodstuffs and industrial goods.

Venezuela's first transaction as a full-member of Mercosur was the US\$900 million acquisition of 20 commercial E-190 jets from the Brazilian manufacturer *Embraer* for the country's largest airline, *Conviasa*. The first six planes, each equipped to carry up to 104 passengers, are scheduled to be delivered before the end of 2012.

Venezuelan exports are also expected to increase, with several transactions already taking place within weeks of accession. In addition to the obvious surge in petroleum industry exports, other sectors of the Venezuelan economy will profit from the favorable conditions offered by the common market. Venezuelan exports of aluminum, chemicals, metals and oil are expected to see significant increases. In August, Venezuela exported 15,000 gallons of *Pequiven-*

produced agrochemicals and urea to Brazil and Uruguay, as well as the first million of 345 million aluminum and glass containers.

Moving forward, Mercosur will continue to seek to enter into both bilateral and multilateral agreements as a means of increasing the size of its market. Negotiations are currently underway regarding agreements with the Central American Integration System (SICA), the European Union, the Gulf Cooperation Council (GCC) and the Southern African Customs Union (SACU), as well as with Jordan, Mexico, Panama, Korea and Turkey. These negotiations have proven to be extremely complex and cover a broad range of issues including economic development objectives, business interests, environmental issues, labor rights and political issues.

Venezuela's accession as a full member to Mercosur has and will continue to provide both the country and the Mercosur area with numerous economic benefits and strategic opportunities. Mercosur provides a marketplace for Venezuelan goods and services ten times larger than the population of Venezuela, alone. This in turn, will buoy competition amongst producers who are now seeing a much stronger demand for their products. The task now at hand is for Venezuela to maximize the benefits of this historical opportunity. ■

Regional Trade Blocs at a glance

	NAFTA	EU	ASEAN	MERCOSUR
Area (km ²)	21,580,000	4,324,782	4,479,210.50	12,781,179
Population (millions)	457	503	601	275
Population density	25.1/km ²	116.2/km ²	135/km ²	21.8/km ²
GDP (US\$ trillion)	16.66	15.82	3.0	3.48
GDP per capita (US\$)	39,625	30,607	5,131	12,599
Human Development Index (2011)	0.868 (very high)	0.856 (very high)	0.625 (medium)	0.731 (high)

SOURCES: EIU, World Bank and WTO

Iran leads dialogue on NAM agenda

Tehran Declaration calls for greater role for developing countries in global governance

BY PHILIPPA WEBB-MUEGGE



PHOTO: DDP IMAGES

Leaders pose for a group photo during the 16th Summit of the Non-Aligned Movement in Tehran, August 30, 2012. The Summit is credited with reviving the NAM grouping, which comprises primarily developing countries.



PHOTO: REUTERS/AROUF MOHSENI/MEHR NEWS AGENCY

O FID Member Country, the Islamic Republic of Iran, hosted the 16th Summit of Heads of State and Government of the Non-Aligned Movement (NAM) in Tehran from August 26 to 31, assuming the rotating Chair from Egypt for the next three years. The meeting was widely regarded as a rejuvenation of the grouping of mostly developing countries.

The attendance at the Summit of delegates from 120 countries, including 31 heads of state and 29 foreign secretaries of state, as well as the UN Secretary General, Ban Ki-moon, showed support of Iran in the pursuance of dialogue on a range of international issues.

In fact, many observers saw the meeting as a diplomatic success. James Petras from the independent online newspaper *Palestine Chronicle* wrote: "The fact that the meeting took place in Tehran...[and] that a major part of the NAM agenda and subsequent resolutions coincided with Iran's democratic foreign policy...convinced those attending that Tehran gives primacy to reasonable dialogue in resolving international conflicts."

That the NAM grouping represents two-thirds of UN Members lent weight to Iran to appeal for more inclusive dialogue on the world stage, including a shake-up of the UN Security Council, to embrace emerging players. The Supreme Leader of the Islamic Revolution, Ayatollah Ali Khamenei, said in his opening address that a shift in world geopolitics over the last thirty years had given the NAM grouping "an opportunity that might never rise again."

"Fortunately, the outlook of global developments promises a multi-faceted system in which the traditional power blocs are replaced with a group of countries, cultures and civilizations from different economic, social and political origins. The striking events that we have witnessed over the past three decades clearly show that the emergence of new powers has coincided with the decline of the traditional powers," Khamenei said.

This point was demonstrated by the attendance at NAM of Indian prime Minister, Manmohan Singh, who was accompanied by a large business delegation.

Khamenei went on to criticize "the failure of the policies of the Cold War era and the unilateralism that followed it," alluding to the fact that NAM was formed in 1961 at the height of the Cold War to combat the entrenched East/West positions that were then all too predominant. In this context, Khamenei called on the UN in his address to review its structures to become more representative of its members.

The Iranian President, Mahmoud Ahmadinejad, appealed to NAM members to play a more determining role in world relations, saying that alternative economic structures needed to be formed "to provide more suitable conditions for our nations and to have a more constructive influence on the global management strategies".

In handing over the Chair to Iran, Egyptian President, Mohammed Mursi, said that NAM had been formed to "protect the interests of newly independent developing countries" that had "just escaped from the oppression of colonialism." ►



The Supreme Leader of the Islamic Revolution, Ayatollah Ali Khamenei.

PHOTO: REUTERS/HAMID FOROQTAN/ISNA



From left: UN Secretary-General Ban Ki-moon, Iranian President Mahmoud Ahmadinejad and Egyptian President Mohamed Mursi at the Summit.

PHOTO: REUTERS/AROUF MOHSENI/MEHR NEWS AGENCY

◀ He said that NAM gave legitimacy for foreign policy that distanced itself from military alliances and bipolarity.

Mursi also took up the need for adequate representation of developing countries in global governance, which was communicated in the final Tehran Declaration. Specifically, he said that the General Assembly needed to be revitalized to “increase its contribution in peace and security matters, as it is the most democratic and representative organ of the United Nations.”

The more burning issues of respecting the Palestinian State, referring to recognition of the 1967 borders, and the development of nuclear weapons were also mentioned in the final document. The Declaration made clear that those

countries which currently possess nuclear weapons should not hold their stockpiles forever, as is stipulated in the Non-Proliferation Treaty.

The Declaration also referred to the uses of nuclear energy for peaceful means: “States’ choices and decisions, in the field of peaceful uses of nuclear technology and their fuel cycle policies, including those of the Islamic Republic of Iran, must be respected.”

The attendance of Ban Ki-moon was welcomed by many. He said that the NAM meeting provided Iran with an “opportunity to demonstrate that it can play a moderate and constructive role internationally.”

On Iran’s role in nuclear proliferation he said that “responsible action on the nuclear program” was “among the top concerns of the international community”.

“Let me also note that efforts to create a Middle East zone free of nuclear weapons and all other weapons of mass destruction are under way. Let us remember that it was Iran itself, 38 years ago, that proposed the establishment of a nuclear-weapon-free zone in the Middle East,” Ban said.

The NAM grouping is a reminder to the world that diversity in country alliances remain relevant, and that international decision-making should not be in the hands of a few powers, made apparent in Ban’s closing remark that the UN Security Council should, amongst other things, “accurately reflect the realities and dynamics of today’s world.” ■

NAM Fact File

- The Non-Aligned Movement (NAM) was formally established in Belgrade in 1961 by 25 newly-independent countries as the Conference of Heads of State or Government of Non-Aligned Countries.
- It is an international organization of states which are not formally aligned with or against any major power bloc. It was formed as a response to the Cold War.
- The five founding fathers of NAM were: former Yugoslav President, Josip Broz Tito; Indonesia’s first President, Sukarno; Egypt’s second President, Gamal Abdel Nasser; Ghana’s first President, Kwame Nkrumah; and India’s first Prime Minister, Jawaharlal Nehru.
- NAM’s initial five guiding principles were first communicated by Nehru, taken from Sino-Indian relations. They are: respecting sovereignty; non-aggression; non-interference in domestic affairs; equality; and peace.
- The five principles were expanded to ten in the Bandung principles of 1955 where 29 African and Asian countries gathered in support of these views.
- Belief and respect for the United Nations is a pre-requisite for membership to NAM.
- NAM comprises 120 members and has 17 observer countries.



Abdalla Salem El-Badri, OPEC Secretary General, addressing the conference.

OPEC Secretary General addresses conference in Leoben, Austria

Oil industry must be more appealing to correct human resource shortfall

The international oil industry needs more experienced people to help it continue to expand to meet increasing future demand, especially in tapping into resources in the world's more remote and challenging areas, according to Abdalla Salem El-Badri, OPEC Secretary General.

Speaking in Leoben, Austria, he said that adequate human resources was one of the most important developments needed by the industry for it to succeed in the future.

"Today, however, it is increasingly being recognized that there is a shortage of human resources entering the industry. It is essential that this is rectified," he said in a keynote address on the future development of the oil markets to the European Mineral Resources Conference.

Concerning the core human resource challenges facing the oil industry today, El-Badri said there was the large-scale downsizing that led to a lack of recruitment in the energy sector during the 1980s and 1990s.

"At this time, many universities also cut back drastically on the number of people taking energy disciplines. It proved a damaging experience. In fact, the industry is still paying the price," he asserted.

El-Badri said that, in recent years, there had been a dramatic expansion in the service and emerging knowledge economies, which had led to fierce competition for talent. ►



PHOTO: EUMICON

The EUMICON 2012 European Mineral Resources Conference closed with the adoption of a Leoben Declaration, in which the European mineral resources sector assigns the tasks involved in maintaining long-term security of supply.

“Our industry is nothing without a well-trained workforce. It is the lifeblood for developing and deploying the techniques and technologies that continue to push our industries forward.”

Retirement

► And there was also a sizeable section of the industry’s workforce, particularly the large numbers that entered the industry in the 1970s, that were now approaching retirement.

Earlier this year, he said, global oil services firm, Schlumberger, in its 2011 Oil and Gas Human Resources Benchmark Survey, said pressures on the industry’s technical workforce threatened the timely completion of projects.

In the survey, up to 70 percent of national oil companies and 60 percent of major international oil companies acknowledged project delays due to staffing difficulties.

“It is apparent that there are no real short-term solutions. Meeting the human resource challenge will not happen overnight. The industry must look long-term,” said El-Badri.

He noted that the industry was one characterized by long lead times and often long payback periods, which meant it must view employees as long-term assets.

El-Badri said the key was making the industry more appealing; to make it accepted as an inclusive and forward-looking workplace.

“The industry needs to be sure it is well presented as a prime employment choice; a high-tech and diverse sector with great prospects.

“In fact, this needs to begin before actual employment – with education and training, at establishments like the one here in Leoben. It is important for the industry to be significantly involved in developing and supporting new graduates and its potential workforce at an early stage.

“The focus is on further developing a better relationship between prospective employees, universities and the industry.

“Our industry is nothing without a well-trained workforce. It is the lifeblood for developing and deploying the techniques and technologies that continue to push our industries forward.”

Fundamental

Specifically addressing students in the audience who were undertaking, or thinking, of a career in the petroleum industry, El-Badri said oil had been fundamental to a great deal of humanity’s progress over the centuries.

“Whether we are driving a car, flying an aeroplane, playing music, using a toothbrush, wearing glasses or shoes, or even camping in a tent, we are using products made with crude oil. It is an industry that can change the way we do things,” he stated.

El-Badri had high praise for the Montan University in Leoben, which, he said, for the mineral and energy resources sector, was an important and leading academic institution.

“Year-on-year, it produces skilled professionals that are essential to running our evolving – and ever-expanding – industries. I would like to congratulate the university on producing high-caliber people who pursue careers in the modern energy and mining industries.

“The importance of this cannot be overstated. Our industries are heavily people-intensive; from exploration to extraction and produc-

tion, from transportation through to final end-products,” he stated.

“The resources from our industries are used in thousands of everyday consumer products, as well as high-tech products. The world, as we know it, would not function without them.

“Our industries have helped drive economic and social development around the world. And looking ahead, the utilization of raw materials and energy will be central for our economies, society’s future, and in particular, those billions who continue to suffer from poverty,” he added.

Looking ahead, El-Badri pointed out that there were great challenges and opportunities, in both the short and long term, for those working in the industry.

“There are tremendous prospects for eager young graduates to get out in the field. It is a creative, dynamic and expanding sector, with the scope to push the boundaries of where technology can take us. I know if I was starting out once more, I would again see the industry as an attractive career choice,” he told delegates.

The OPEC Secretary General said that he had been asked in his speech to focus on the future development of the oil market, specifically “what it brings and what it means”.

He said: “There are many facets to this, but I think I should initially outline what OPEC sees in terms of growth, from both the oil and overall energy perspectives.”

Over the past 50 years or so, said El-Badri, the world’s demand for energy had expanded dramatically – from just over 55 million barrels/day of oil equivalent in 1960 to around 233m b/d in 2010. This demand growth was met by a variety of energy sources, but the majority had come from fossil fuels.

Growth to continue

This expansion, he said, was set to continue, with OPEC’s most recent World Oil Outlook (WOO), published in November last year, projecting a figure of close to 360m b/d by 2035. It meant that energy demand was expected to increase by around 50 percent by 2035.

All energies witnessed growth in WOO’s projections, with fossil fuels – which currently accounted for 87 percent of the world’s energy supply – forecast to still contribute 82 percent in 2035.

“Oil will retain the largest share for most of the period to 2035, although its overall share is set to fall from 34 percent to 28 percent. It will remain central to growth in many areas of the

global economy, especially the transportation sector,” El-Badri affirmed.

Coal’s share, he continued, would remain similar to today, at around 29 percent, whereas gas was set to increase from 23 percent to 25 percent.

In terms of non-fossil fuels, renewable energy was set to grow fast. But as it started from a low base, its share would still be only three percent by 2035. Hydropower would increase only a little – also to three percent by 2035.

El-Badri said that nuclear power would witness some expansion, although prospects had been affected by last year’s events in Fukushima, Japan. It was seen as having only a six percent share in 2035.

From the perspective of oil, he said, all this translated into demand increasing by close to 23m b/d over the period 2010–35. It was forecast to reach almost 110m b/d by 2035.

El-Badri said the question asked by some was: can this oil demand increase actually be met? “I am in no doubt that it can,” he stated, adding that there were two main reasons for this.

The first concerned the availability of oil. While some voices continued to talk about impending peak oil – just as others had done in the past – the industry continued to push the boundaries in terms of what could be found and what could be recovered.

“Of course, peak oil supply will arrive one day – it is a non-renewable resource after all – but at present, this day is being pushed further and further into the future,” observed the OPEC Secretary General.

He said technology and people continued to transform the oil industry, in terms of the way resources were identified, developed and produced. Technology was bringing out more resources from the tight grip of rocks.

Over the years, said El-Badri, the improved quantity and quality of information available about different geological structures had enhanced the likelihood of finding oil and extended the reach of surveyors, geologists and explorers into remoter and harsher locations in the ‘frontier areas’.

“Petroleum science has evolved from basic geology to supercomputer-based calculations, reservoir simulators and 3-D views of deep and complex horizons in the subsurface.

“In terms of drilling, we have progressed from drilling tens of meters to many kilometers below the surface, both vertically and horizontally.”

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◀ El-Badri said new technologies had also helped transform resources once thought unconventional into conventional ones.

“We should remember that only 40 years ago, all offshore oil was considered unconventional. Today, this portion of total global oil supply accounts for 30 percent. Today, the quantity of recoverable oil resources is higher than ever.”

Looking to the past

El-Badri said estimates from the United States Geological Survey of ultimately recoverable resources had more than doubled since the early 1980s – from just 1.7 trillion b to around 3.5tr b. Cumulative oil production had been less than a third of this.

He said the second reason for believing that the oil demand increase in the years ahead could be met came from looking to the past.

The required production capacity in the coming decades – including compensating for natural decline in oil fields – was nothing new for the industry, he maintained.

“This level of increase has been achieved in the past. Producers have seen total oil supply increase from around 22m b/d in 1960 to over 87m b/d in 2011, again driven by technological progress.

“So, resource availability is not an issue and the industry has always been able to deliver the supply needed to meet demand.”

Turning to the oil market situation, the OPEC Secretary General said what was immediately evident was that the market was currently well-supplied. There was no shortage of oil anywhere in the world, a situation that was expected to continue.

OPEC, he said, forecast global oil demand to grow by 900,000 b/d in 2012, and 800,000 b/d in 2013. And there was more than enough new supply to meet this increase. Non-OPEC supply was expected to increase by 700,000 b/d this year and by 900,000 b/d next year.

Moreover, OPEC spare capacity remained at comfortable levels and total commercial stock levels were healthy.

El-Badri said the global economic situation remained a major uncertainty and it would be important to monitor this carefully in the coming weeks and months, but risks currently appeared skewed to the downside.

“In terms of prices, I should like to stress that while the price has witnessed both ups and downs in 2012, this volatility has not been because of market fundamentals. Speculation has been behind much of the price volatility,” he said.

El-Badri said that while OPEC did not have a price target, it recognized the importance of a stable price. This was essential for both producers and consumers.

Prices needed to be at a level that did not affect global economic growth and, at the same time, a level that allowed producers to receive a decent income and to invest to meet future demand.

Summing up, El-Badri reminded delegates of three main facts; firstly, that the world would need more energy. This meant that the oil and energy industries were set to expand significantly. Secondly, there were plenty of available resources to meet future demand growth. It was not a question of availability, but one of deliverability.

And thirdly, the industry needed more people. It was essential to attract graduates to undertake energy disciplines, and make sure the industry had skilled, well-trained and happy employees. ■

Our vision

To aspire to a world where Sustainable Development, centered on human capacity-building, is a reality for all.

Our mission

To foster South-South Partnership with fellow developing countries worldwide with the aim of eradicating poverty.



Uniting against Poverty



Uniting against Poverty

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