



Global Conference on Gearing Macroeconomic Policies to Revert the HIV/AIDS Epidemic
20-21 November - Brasília, Brazil
UNDP HIV/AIDS Group, New York, and International Poverty Centre, Brasilia

Rationale

This conference is being organized because the disbursement of funding for HIV/AIDS programmes, which has risen sharply in recent years, is being hampered by restrictive macroeconomic policies. In many countries, either fiscal policies are too restrictive (because of spending ceilings) or monetary policies are too conservative (because of very low inflation targets).

If the MDG target for HIV/AIDS is to be reached, more supportive macroeconomic policies need to be incorporated into the 'second generation' of national poverty reduction strategies. Such policies should support, instead of slow, a dramatic scaling up of ODA to confront and reverse the HIV/AIDS epidemic. However, having been warned that such scaling up will endanger macroeconomic stability, governments are now fearful of fully spending the ODA.

In a number of countries, such fears have resulted in substantial delays in the receipt or disbursement of desperately needed donor resources for HIV/AIDS. However, evidence from the WHO Commission on Macroeconomics and Health, the recent report of the U.N. Millennium Project, *Investing in Development*, and IMF research indicates that substantial donor financing of health spending has not led to macroeconomic instability.

On the contrary, the real danger is that setting unnecessarily low limits on health spending will have devastating consequences, leading to widespread death and misery. Such practices also will have dire economic consequences since many productive members of society are cut down in their prime.

The Conference

In order to address these issues, the HIV/AIDS Group of UNDP New York has joined with the International Poverty Centre in Brasilia to organize a global conference in Brasilia on 20-22 November. The conference is designed as a launching pad to stimulate more policy dialogue and build a broader international consensus and campaign on the need to remove unnecessary macroeconomic roadblocks to a large scaling up of financing for programmes against HIV/AIDS.

The conference will bring together economists, researchers, UN policy specialists, members of development cooperation agencies, government officials and NGO representatives and activists to discuss "Macroeconomics and HIV/AIDS". The conference will not only extensively debate this issue but will also discuss the practical issue of how to launch a global advocacy and policy dialogue campaign to help forge a new consensus on the appropriate macroeconomic response. A major output should be a strategy and action plan for supporting advocacy and policy dialogue on this issue in a core group of developing countries negotiating new Poverty Reduction Strategy Papers.