June 2025

GLOBAL SOLIDARITY LEVIES IN REAL LIFE

LESSONS FROM THE FRENCH TAXES ON AVIATION AND FINANCIAL TRANSACTIONS

Friends of the Global Fund Europe

EDITORIAL: INNOVATIVE FINANCING, A FRENCH MODEL FOR SUSTAINABLE GLOBAL SOLIDARITY

Laurent Vigier,
President
of Friends of
the Global Fund
Europe,
former Advisor
to the French
President
Jacques Chirac
on multilateral/G8
affairs

Faced with the many challenges of the 21st century—conflicts, pandemics, climate change, setbacks in human rights and gender equality—the international community is confronted with a harsh reality: traditional sources of official development assistance (ODA) are insufficient, fragile, and unstable. Since the early 2000s, France has developed a unique model of innovative financing, combining fiscal justice, international solidarity, and efficiency. This model is embodied in the mobilization of sustainable revenues from the Financial Transaction Tax (FTT) and the solidarity tax on airline tickets, which support major multilateral initiatives such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, Gavi, and Unitaid.

This strategy, initiated in a context of growing global awareness, has proven effective. Today, it could serve as a guiding framework to rethink the financing of global public goods in a world where the demand for fiscal justice intersects with the need for a collective response to major global crises.

A French model based on justice and innovation

The solidarity tax on airline tickets, implemented as early as 2006, and the financial transaction tax, introduced in 2012, have enabled France to secure specific, predictable, and stable resources, free from short-term budgetary pressures. These mechanisms, without burdening the most vulnerable citizens, capture a small share of the wealth generated by globalization—financial transactions, air travel—and redirect it into international solidarity efforts, especially in global health. This approach is both highly political and pragmatically innovative.

France is currently the only country in the world to directly allocate a portion of these taxes to two multilateral instruments known for their impact: the Global Fund and Unitaid. This earmarking lies at the heart of the French model of innovative financing. It ensures transparent use, measurable effectiveness, and alignment with the Sustainable Development Goals (SDGs) established by the international community.

The Global Fund and Unitaid: two complementary pillars

The Global Fund to Fight AIDS, Tuberculosis and Malaria, created in 2002, has become one of the most powerful international health financing tools. It has helped save 65 million lives to date and has increased life expectancy by up to 10 years in certain countries through support for prevention, treatment, health system strengthening, and pandemic preparedness programs in more than 100 countries. Its model

is based on partnership: governments, civil society organizations, the private sector, and beneficiary communities all have equal voices, ensuring inclusive governance and strong accountability.

Unitaid, launched in 2006 with the support of several countries from both the Global North and South, acts as a catalyst. Its mission is to identify, reduce the cost of, and accelerate access to innovative health products. Thanks to its investments, the cost of pediatric HIV treatment has dropped by 75%, and many diagnostic technologies have been made accessible in low- and middle-income countries. Here again, governance is shared, inclusive of civil society, and focused on measurable impact.

The Global Fund and Unitaid do not replace governments; they support, equip, and strengthen them. Their complementarity is strategic: while the Global Fund finances large-scale implementation, Unitaid drives innovation. Together, they represent a renewed form of multilateralism, centered on efficiency, solidarity, and shared responsibility.

A strategic tool to protect and expand

Today, this model is under threat. Recent proposals aim to challenge the earmarking of revenues of the solidarity tax on airline tickets and the financial transaction tax for international solidarity. This would be a strategic and moral mistake. On the one hand, these mechanisms have proven effective: they mobilize additional, high-impact resources outside the state budget, thus helping to sustain France's commitment to multilateral organizations for international solidarity—especially where traditional ODA, constrained by budgetary trade-offs and limited predictability, struggles to meet the scale and urgency of needs. On the other hand, these mechanisms serve as tools of global diplomacy: by funding credible multilateral institutions, France strengthens its role as a balancing power at the forefront of collective solutions.

At a time when needs in health, climate, education, human rights, and gender equality are surging—and when the legitimacy of international institutions is weakening—France holds a rare asset. It can not only preserve this model but also promote it at the European and international levels. The financial transaction tax could be expanded and harmonized across Europe and beyond.

A historic responsibility

What was originally conceived as a bold response to a blatant injustice—the exclusion of the most vulnerable from the benefits of globalization—has, two decades later, become a proven model for financing global public goods. It rests on a simple idea: solidarity should not be a variable for adjustment but a structuring principle of the global economy.

Preserving this model means choosing efficiency, fairness, and consistency. Strengthening it means responding to a collective emergency with sustainable tools. Exporting it means embracing a leading role in the renewal of a multilateralism grounded in shared humanity.

INTRODUCTION: REFORMING THE GLOBAL FINANCIAL ARCHITECTURE FOR PEOPLE AND PLANET

When the Barbados Prime Minister Mia Mottley launched the Bridgetown Initiative in 2022, low- and middle-income countries were facing crises of inflation, liquidity, and debt—challenges exacerbated by the global backdrop of ongoing shockwaves of Covid-19, war in Ukraine, and the multiplication of climate-related pressures. Bridgetown charted a path toward global momentum on reforming the global financial architecture to unlock financial resources for global public goods, climate, and the SDGs.

Calls that followed—the 2023 Nairobi Declaration by the African Union and updated iterations of the Bridgetown Initiative—added momentum to the push for reform of financial institutions and improved access to credit for developing countries. In particular, there was growing emphasis on the role for the taxation of cross-border economic activity, such as financial transactions, shipping, aviation, and fossil fuel. As an outcome that grew out of the Paris Summit for People and Planet in mid-2023, a Global Solidarity Levies Task Force was launched in November 2023 at COP28—under the co-chair of Barbados, France, and Kenya. At the following year's COP29, under the auspices of the Heads of State and Government of Spain, Barbados and the Marshall Islands, the Task Force established a broader coalition of 14 members and 3 observers to explore the introduction of solidarity levies toward finance for climate and development.

The idea of solidarity levies is not new – but the urgency has amplified. Five years ahead of the 2030 SDG time horizon, and with climate change is accelerating, SDG financing is falling short of an estimated $4 trillion annually. Studies suggest that health and education account for as much as half of the current SDG funding gap. On the climate side, current funding is estimated to fall short of both the $215 billion needed annually by developing countries for climate adaptation and the $1.7 trillion needed annually to achieve zero-emissions in developing countries. 2025 will be a pivotal year for progress in this agenda, with both the 4th UN Conference on Financing for Development in Sevilla and COP30 in Bélem as key milestones.

5 years ahead of the 2030 time horizon, SDG **financing is falling short of $4 trillion annually**

With the acceleration of efforts to rally a coalition of States committed to financing global public goods through the development of taxes on cross-border services, the example of French levies on air tickets (since 2006) and financial transactions (since 2012) which generated a stable and steadily growing flow of funds that was directly channelled to global health and climate finance over the past two decades—provides precedent that demonstrates the feasibility and impact of this agenda, proposes a model, and offers key lessons learned.

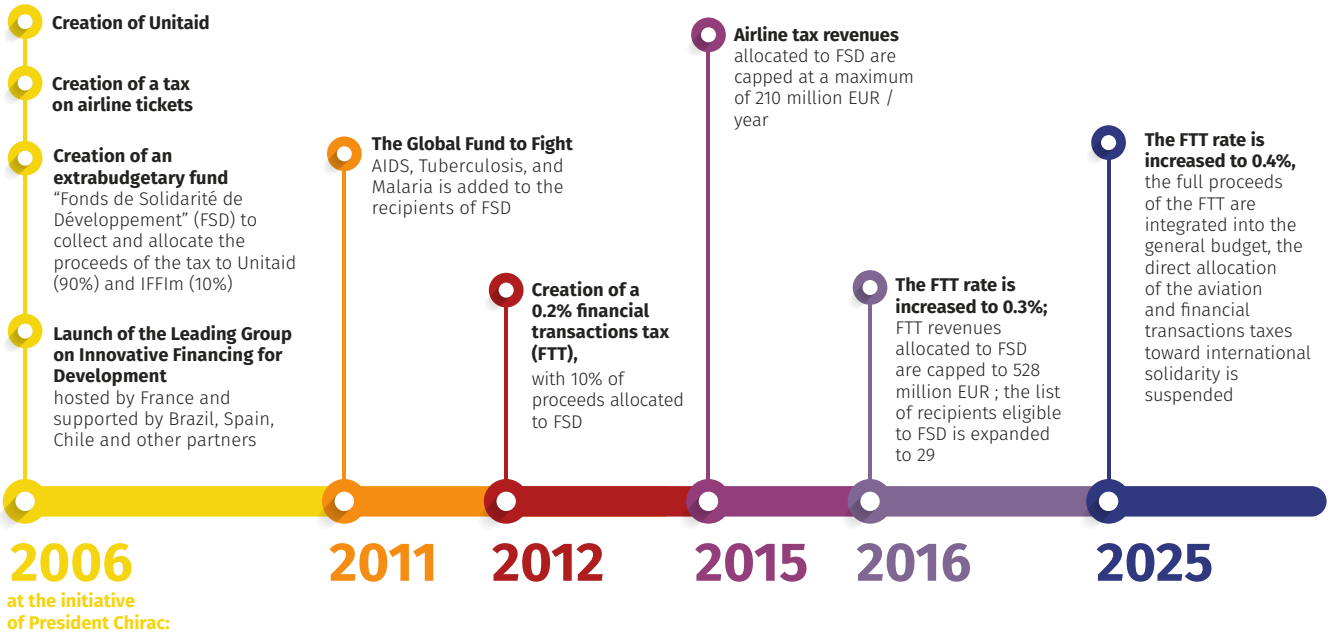
TAXING CROSS-BORDER SERVICES FOR GLOBAL PUBLIC GOODS : THE CASE OF THE FRENCH SOLIDARITY LEVIES

1. A scalable lever for political action

The solidarity taxes were launched at the initiative of French Presidents—the airline ticket tax in 2006 by President Chirac and the financial transactions tax in 2012 by President Sarkozy—and their revenues have served their international priorities as well as the international priorities of their successors, President Hollande and President Macron.

The solidarity levy on airline tickets is an additional tax paid by every passenger boarding in French territory, regardless of their nationality or the airline they are flying on. The amount of this tax depends on the passenger's final destination, from €7.40 to €40 for economy class, and from €30 to €120 for business/first classes according to the new 2025 Financial Bill. The Financial Transaction Tax (FTT) is a 0.4% compulsory tax on the purchase of shares in French companies with a market capitalization exceeding €1 billion. By modifying the parameters of the levies, government and Parliament were able to scale up international solidarity to meet their political ambition, without adding budgetary pressure on domestic spending. For example, the FTT revenues allocated to international solidarity grew from 60 million EUR in 2013 to 528 million EUR in 2024.

The FTT revenues to international solidarity grew from **60 million EUR in 2013 to 528 million EUR in 2024**



2. Protecting global public goods as well as domestic spending

The levies were initially conceived as a way to scale up support for global public goods without adding financial burden on domestic expenses. In 2006, a new extrabudgetary fund – Fonds de Solidarité pour le Développement (FSD) – was created alongside the airline tax, to channel the levy's revenues directly to Unitaid (90%) and IFFIm (10%). Over time, the model evolved to protect France's contributions to global public goods and also support its domestic spending. After the creation of the financial transactions tax in 2012, the revenues were allocated in part to international solidarity via the FSD, and in part to the general budget. Between 2019 and 2024, the revenues of both taxes were allocated to international solidarity in a stable and predictable manner, with a cap fixed at 210 million EUR of the airline tax revenues and 528 million EUR of the FTT revenues per year. Over the same time period, revenues generated above this cap were made available for the general budget, with the annual surplus ranging from 900 million EUR to 1.2 billion EUR annually, and totalling 7.4 billion EUR.

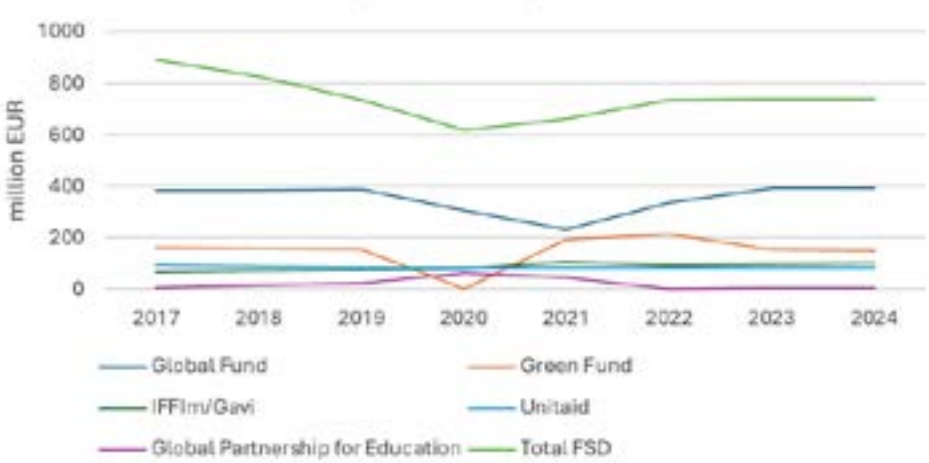
The levies were initially conceived as a way to scale up support for global public goods without adding financial burden on domestic expenses

2023 (million EUR)		FTT	Airline levy	Total
Revenues		1605	373	**1978**
FSD (Fonds de solidarité pour le développement)	Amount	528	210	**738**
	Share	33%	56%	**37%**
General budget	Amount	1077	163	**738**
	Share	67%	44%	**63%**

3. Significant resources for multilateral partnerships in health and climate

Between 2017 and 2024, the portion of the levies' revenues allocated to international solidarity weredirectly channelled into France's support of for development—71% went to global health, 22% to climate and environment, and 3% to education. Although the list of recipients was increased from 3 in 2011 to 29 in 2016, the levies' revenues remained channelled mainly through five main multilateral organisations: the Global Fund (47%), the Green Climate Fund (20%), Unitaid (12%), IFFIm/Gavi (12%), and the Global Partnership for Education (3%).

Allocation of French solidarity levies to multilateral partnerships



4. Accountable investments for tangible impact

The French levies' allocation model to a limited set of multilateral partnerships makes it possible to track the impact of the levies in a transparent and accountable manner, as demonstrated by the examples of the impact delivered by the levies through the Global Fund and Unitaid.

• THE GLOBAL FUND

Investments

France is a co-founder and the second-largest historic donor to the Global Fund, with 6.9 billion EUR contributed to date. France pledged 1.596 billion EUR for the Global Fund's 7th replenishment covering 2023-2025. At the 6th replenishment, hosted by President Macron, France pledged 1.296 billion EUR and a total of $14.028 billion pledges by all donors were mobilized for the 2020-2022 period.

The Global Fund became a recipient of the French solidarity levies at the creation of the financial transactions levy in 2012. Solidarity levies accounted for 74% of the French contribution to the Global Fund for 2020-2022, 55% (3.623 billion EUR) of the historic contribution of France to the Global Fund, and roughly 6% of all contributions received by the Global Fund since its inception.

This significant footprint has delivered tangible results. Of the 65 million lives saved by the Global Fund partnership since its creation, 3.9 million have been saved thanks to French tax revenues allocated to it.

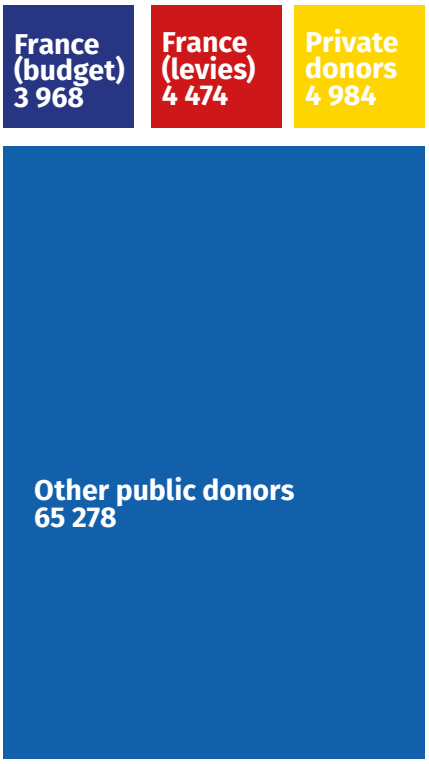
Impact

Since 2002, the Global Fund partnership has invested US$66.9 billion in over 100 countries, contributing to save 65 million lives and reduce deaths related to AIDS, TB and malaria by 73%, 40% and 28% respectively. Gains made against HIV/AIIDS, TB and malaria resulted in 6.2 years increase of life expectancy in 15 high burden African countries, and in a progress of 35% of UHC coverage index globally.

In 2023, in countries where the Global Fund invested, 25 million people living with HIV received antiretroviral treatment, 7 million people were treated for TB, 171 million malaria cases were treated, 227 million mosquito nets were distributed, and 15.5 million pregnant women with reached with malaria preventive treatment, and 15.5 million pregnant women and 44.6 million children received treatment for malaria.

In 2025, the Global Fund is holding its 8th replenishment campaign for the 2027-2029 implementation period, with the aim of mobilizing $18 billion.

Historic contributions to the Global Fund (million USD)



• UNITAID

Investment

The creation of the French airline tax was linked to the creation of Unitaid, of which France is a co-founder and the largest historic donor, with a total historic contribution of 2 billion EUR. Solidarity levies represented 100% of the historic French contribution to Unitaid, and 47% of all Unitaid revenues through 2024.

Impact

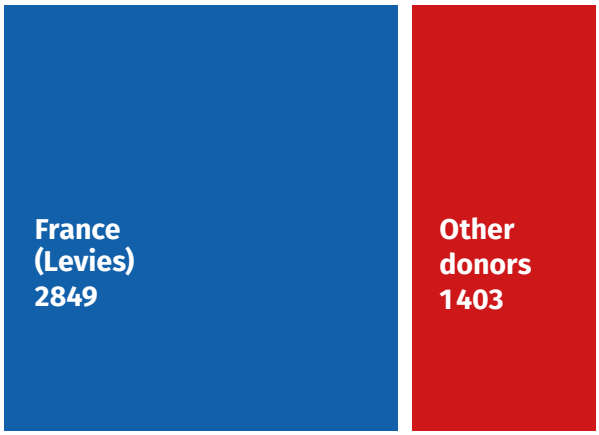
Since 2006, Unitaid has supported the introduction of 100 innovative health products. Unitaid has contributed to products that are used by over 300 million people every year. Unitaid works in complementarity and in synergy with other global health institutions such as the Global Fund, a key partner for market-shaping efforts to drive prices down, create robust demand for products, and finance access to many innovations.Beyond health gains, deploying more affordable and effective health products generates savings for health programs in low- and middle-income countries.

For its 8th Replenishment in 2025, the Global Fund needs $18 billion to **save 23 millions lives more and reduce the combined death** rate from HIV, TB and malaria by 63%

5. A pioneering model at risk

In 2025, the financial bill adopted in Parliament increased the rates of the financial transactions tax and the tariffs of the aviation tax, but also suspended the extra-budgetary nature of the FSD, which had ringfenced part of the French contribution to global public goods since their inception. With the integration of the full revenues of the aviation and financial transactions taxes into the general budget, the full French contributions to global public goods have ceased to be additional to the French ODA budget, and are now in competition with domestic spending. Restoring the direct allocation of a portion of the revenues collected by the aviation and financial transactions tax to global public goods, through a revamped extrabudgetary mechanism, is required to safeguard and strengthen the pioneering French global solidarity levies model.

Historic contributions to Unitaid (million USD)



RECOMMENDATIONS

To France

To reaffirm the French aviation and financial transactions taxes as pioneer global solidarity levies

To re-establish the direct allocation of their revenues to the Global Fund, Unitaid, and other current recipients

To increase the revenues of the levies for both international and domestic spending

To pledge at least 1.8 billion EUR to the 8th replenishment of the Global Fund

To commit to contribute 85 million EUR annually to Unitaid over 2026-2028

To other countries

To consider establishing earmarked taxes on cross-border goods and services, such as aviation and financial transactions, to fight pandemics and preserve global public goods

To consider directly allocating a share of their revenues to high-impact multilateral partnerships for global public goods, such as the Global Fund and Unitaid

To fully fund the Global Fund for its 8th replenishment

Support Unitaid for 2026-2028

IMPACT OF EARMARKED TAXES THROUGH THE GLOBAL FUND AND UNITAID: CASE STUDIES

REGIONAL MANUFACTURING OF HIV TREATMENT IN AFRICA

In May 2025, the Global Fund announced a historic procurement of HIV first-line treatment, produced by Kenyan pharmaceutical manufacturer Universal Corporation Ltd, and delivered to Mozambique to treat over 72.000 people per year. Unitaid supported Kenyan manufacturer to achieve World Health Organization prequalification, opening the path for procurement. Unitaid funded the studies required for WHO prequalification, working under a Medicines Patent Pool (MPP) license, to ensure that the treatment combination produced (tenofovir, lamivudine, dolutegravir – TLD) met global quality standards and could be supplied through international procurement channels.

GLOBAL FUND IMPACT: MEDICAL OXYGEN

Medical oxygen can play a critical role across many health services—saving lives threatened by severe HIV, TB, and malaria; improving the quality of care for newborns, pregnant mothers and children; supporting patients during surgery and those with chronic diseases; and is a pillar of pandemic preparedness and response to respiratory pathogens. Widespread global gaps in access to medical oxygen were exposed during the Covid-19 pandemic. The Global Fund has responded by becoming the largest funder of medical oxygen, investing over US$564 million in medical oxygen infrastructures and supply across 83 countries over the period between 2021 and 2025. In 2023, the Global Fund invested US$41.7 million to support Kenya's efforts to strengthen and expand its oxygen infrastructure and ecosystem across all of its 47 counties. A recent analysis has shown that Global Fund investments in medical oxgyen in 14 priority countries are estimated to provide lifesaving oxygen access to around 22 million people between 2024 and 2026, and are expected to save around 520,000 lives. The 14 countries are Burkina Faso, Cameroon, Ethiopia, Ghana, Guinea, Indonesia, Liberia, Malawi, Mozambique, Nigeria, Sierra Leone, Tanzania, Zambia and Zimbabwe.

SEASONAL PREVENTION OF MALARIA AMONG CHILDREN

In 2012, the WHO introduced recommendations for a malaria intervention known as seasonal malaria chemoprophylaxis, which involves monthly doses of preventive medicines in children in areas of high risk. In response to limited uptake of the recommendation, Unitaid launched a pilot project in 2014 that would show that the scaling up of seasonal malaria chemoprophylaxis (SMC) could prevent 18 million malaria cases and 100.000 deaths among children in the Sahel region. By 2022, 37.1 million children were able to access SMC in countries where the Global Fund invests, and SMC saves 100.000 children lives annually in seasonal malaria transmission settings.

ACCESS TO INNOVATIVE HIV TREATMENT

Unitaid and the Global Fund were instrumental scaling up dolutegravir (DTG), a medicine better tolerated and more effective than the antiretroviral it replaced. Unitaid invested over US$100 million in projects that provided robust clinical evidence on the safety and efficacy of generic DTG in previously overlooked vulnerable populations in developing countries. Through coordinated market-shaping interventions, the Global Fund and Unitaid were able to obtain a 25% price reduction and to secure the sustainable supply of formulations for adults and children at scale. Today, over 110 low- and middle-income countries (LMICs) have adopted DTG as the first-line treatment option, as recommended by WHO. DTG is accessed by 19 million people in countries where the Global Fund invests. The Global Fund was also able to scale up procurement of paediatric DTG in 46 countries. It is estimated that the introduction of DTG will have saved 1.1 million additional lives by 2027. It is also estimated to reduce the cost of HIV response programs in the countries concerned by US$8 billion by 2028.

Friends of the Global Fund Europe

FRIENDS OF THE GLOBAL FUND EUROPE, 2 RUE COGNACQ JAY, 75007 PARIS, +33 1 44 07 08 66.

MADE BY DIE IN COLOR.

WWW.FRIENDSEUROPE.ORG