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The future of the global AIDS response: Implications for the Swiss Agency for Development and Cooperation (SDC)

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The burden of disease in the developing world is still dominated by infectious diseases, and the HIV/AIDS pandemic – above all in sub-Saharan Africa- still has a major negative impact on health and on the overall development situation. There is no doubt that HIV AIDS remains a priority on the global development agenda – for Switzerland and for the Swiss Agency for Development and Cooperation.

The HIV/AIDS epidemic is still far from being under control and remains an exceptional threat for social and economic development, manifesting itself as a disease of poverty.

The impact of the global economic crisis on the response to AIDS

It has often been observed that the demand for public health care rises at precisely the time that governments need to cut back. The current economic crisis in its impact on the social and health situation in most low and middle-income countries confirms this pattern.

According to WHO estimates in 2008, about 100 million people were forced into poverty, and in 2009 when the impact of the global crisis reached the low-income countries another 100 million might have fallen under the poverty line[1], and the figure will probably increase further.

The current global economic crisis is having a tangible effect also on HIV programmes in many low and middle-income countries. Poor countries are disproportionally more affected, and countries with high HIV rates are most at risk. According to UNAIDS in some low-income countries with adult HIV prevalence of 5% or greater, AIDS spending needs already now exceed 2% of the GDP.[2]

Other trends overlap the impact of economic crisis on the HIV response:

- The economic recession in the rich countries can also to be expected to have negative effects on the level of official development assistance (ODA), taking the form of a slowing down in the rate of increase of bilateral and multilateral donor funding.
- The levelling off might however not only need to be seen against the background of the current global economic downturn but also in the context of other factors, the shift towards increased funding for health systems and other major development agendas such as climate change or competing global health priorities such as the pandemic influenza (H1N1).
- Another trend is that we have a growing demand for AIDS treatment in high-prevalence countries

In a number of countries the SDC has noticed the impact of the crisis on the national and local AIDS response. This impact is characterized by declining household incomes and a corresponding increase in poverty, reductions in national government revenues and HIV spending. Unfavourable exchange rates increase the cost of importing of medicines and equipment.

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1 http://www.who.int/mediacentre/events/meetings/financial_crisis_steer_20090119/en/index.html

2 UNAIDS Report on the Impact of the global financial crisis on AIDS Programmes, Geneva 2009

The consequences of the economic crisis however have to be seen against the background of regional differences. We must be aware that it is still quite difficult to anticipate the medium and long term effect of this multiple crisis for the global HIV response.

In East and Southern Africa, with the highest level of prevalence and the largest number of people in need for treatment, the short-term impact of the economic crisis is less severe than in other countries. This may be because of the priority given to these countries by external funders.

From Eastern Europe and Central Asia a strong negative impact of the economic crisis on HIV AIDS prevention is reported and a decrease is anticipated in condom distribution and in programmes for injecting drug users. The Asia and Pacific regions show the fewest signs of strain.

Falling household income has direct consequences, can undermine ART adherence (burden of travel costs to clinics), and often results in a worsening of conditions for diet, shelter, water, and sanitation.

The financial downturn in the more affluent countries has also led to a harsh reduction in remittances to poorer countries (e.g. Tajikistan) as a consequence of rising unemployment in the wealthier countries. This prevents poor and marginalized households from covering health expenditure out of pocket and limits the quality and quantity of food and nutrition.

A recent survey carried out by UNAIDS states that civil society organizations are reporting reductions in their funding, which are threatening programmes at the community level in particular.

Anticipated negative effects are slowing down or reversing countries' progress towards reaching their targets in combating HIV/AIDS.

An increasing number of infections may not be immediately visible in the short run, and it is not possible to link the impact of the crisis directly to an increase of mortality or infections. The different factors and trends are interlinked, and it is difficult to separate them. A newly established monitoring system established by the World Bank and the UNAIDS Secretariat is indicates that the negative impact of the crisis on AIDS programmes is real and is getting worse.

The SDC response to HIV/AIDS

SDC bases its response to HIV/AIDS on internationally agreed commitments, such as the Millennium Development Goals, UNGASS (UN General Assembly Special Session on HIV/AIDS) or the ICPD (International Conference on Population and Development, Cairo 1994), and has played a key role amongst Swiss actors - public, non-governmental and academic - in strengthening a coordinated response to HIV and AIDS in international development cooperation.

At different levels of intervention with bilateral and multilateral cooperation and in Humanitarian Aid, SDC is concentrating on mitigating the damage, slowing the spread of HIV/AIDS and reducing its negative impact.

The long-term commitment through the strengthening of national health and welfare systems is a guiding principle of the SDC in addressing HIV/AIDS.

The equity focus on the most vulnerable, human-rights based approach and youth friendliness are further key principles contributing to the internationally agreed goals of universal access to prevention, treatment, care and support for all those who need it.

The interlinkage of HIV and gender is essential for SDC's response to HIV/AIDS – in bilateral cooperation and at multilateral level, where SDC is actively supporting the

implementation of the Global Fund's Gender strategy. This includes the strengthening of the gender-expertise of the Country Coordinating Mechanisms (CCM) and the achievement of balanced gender representation in the CCM of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM).

It is a crucial and strategic lesson learnt in responding to the AIDS pandemic that integrated approaches have a greater impact, that they are more effective and more efficient. This is an important consideration in times when everyone is expected to do more with less funds. It is also a mitigation strategy to seek greater efficiencies in strengthening the synergies with programmes for sexual and reproductive health.

For many years programmes and the funding in the fight against HIV and AIDS focused on HIV/AIDS only, with no or few linkages to other sectors. There was for example one building where women could get information and advice on sexual reproductive health, and another building in which counselling on HIV/AIDS was provided. Today we know that much more impact in terms of prevention, mitigation and care can be achieved if people come through the door of the same building for an HIV/AIDS test and for information on abortion and contraceptives. This is also helps to combat stigmatization, discrimination and denial of HIV/AIDS, hindering factors remaining a major obstacle.

Such an integrated approach can lower costs for inputs and avoid duplication in funding support improve geographical and population targeting.

SDC is working through international and multilateral organizations to strengthen linkages between HIV and Sexual and Reproductive Health (UNAIDS, IPPF, UNFPA, WHO, GFATM), and in our bilateral programmes, especially in sub-Saharan Africa, e.g. with a Regional Programme in Southern Africa implementing a youth-specific approach of HIV/AIDS prevention integrating sexual and reproductive rights.

HIV/AIDS-related activities are part of the portfolio in a number of SDC partner countries (e.g. Tanzania, Mozambique, South Africa, Rwanda, Burundi, Ukraine or Northern Caucasus), and Swiss NGOs receive support for both their AIDS-related activities in the South and their networking and coordination activities in Switzerland.

SDC promotes mainstreaming HIV/AIDS in the internal and external sphere of development and humanitarian cooperation activities. (SDC toolkit giving guidance e.g. for "do no harm principles"). SDC will continue combating HIV with a multisectoral response; therefore HIV/AIDS is a priority issue of transversal character going beyond health into other sectors. It is particularly relevant when addressing the social drivers of the epidemic such as poverty, the low status of women, homophobia and human rights violations.

SDC is supporting UNAIDS co-sponsors to enhance learning across countries, and is currently facilitating technical exchanges between UNAIDS and the World Food Programme/WFP on innovative approaches to assess and promote the role of food and nutrition for preventing and mitigating the impact of HIV and AIDS, with special emphasis on women and vulnerable children in Sub-Saharan Africa. Improved nutrition contributes essentially to better treatment (ARV) results and supports People Living With AIDS (PLWA), enabling them to recover and become productive members of their households.

SDC's HIV/AIDS mainstreaming involves other multilateral organizations:

- **UNDP** with the support of UNAIDS is advocating maintaining rights-based approaches for AIDS programmes. This includes advocating for legal and social programmes that protect the rights of PLWA and counter-stigma and counter-discrimination projects, as well as programmes targeting marginalized populations, i.e. groups which are particularly vulnerable to funding cuts during economic crisis.

- **UNESCO** contributing to the universal availability of effective education on sex, HIV, Sexually Transmitted Infections (STI), and fears that the crisis will entrench harmful gender relations and aggravate the negative effects of HIV on PLWA.
- **UNFPA** has identified 12 countries where the global economic crisis is likely to impact most on reproductive health services, and is ensuring contraceptive supplies in these countries, which overlap with those countries with very high levels of HIV.

All AIDS programmes have suffered in the current economic crisis, but the most widely reported concern is in prevention and treatment programmes.

SDC's strategic focus on prevention aims to avoid new infections, supporting measures of primary prevention (e.g. education, awareness, information) and secondary prevention (risk reduction measures e.g. towards vulnerable groups or in humanitarian crisis situations).

Within the governing body of UNAIDS, SDC is emphasizing strengthening the lead of UNAIDS in prevention.

A 2009 UNAIDS survey showed that 55% of Civil Society Organizations (CSOs) received less funding for prevention last year than in 2008, and 39% of the CSOs had to reduce the number of clients in 2009 compared with the previous year. The crisis has also affected workplace HIV prevention. Job losses and increasing job informalization is increasing the risk of HIV transmission.

The SDC approach of targeting priority services, prevention, treatment and mitigation programmes to poorer households, women and children can help mitigate the impact of the economic crisis. SDC is following a multi-sectoral approach of health with livelihood programmes (generating income, microfinance programmes), expanding safety nets for vulnerable groups (cash transfer programmes) and complementing HIV programmes.

Wherever possible SDC advocates that governments expand social protection programmes to reduce the vulnerability of HIV-positive persons and high-risk populations.

Global Health initiatives to achieve MDG 6

After the Millennium Declaration in 2000 and the UNGASS we noted a substantial global increase in disease-specific funding (GFATM, World Bank, PEPFAR, GAVI, the Global Alliance for Vaccines and Immunisation).

The shift to this new form of Global Health Initiatives contributed to an overall substantial increase of ODA (Official Development Assistance) for health of about 300% between 2000-2006[3].

Demand for donor support for the GFATM has more than doubled since the last replenishment in 2007, as implementing countries have scaled up well-performing programs. Grant commitments made in 2009 (US$ 4.2 billion) represent 235 percent of the 2006 amount (US$ 1.8 billion).

Switzerland has contributed to the Global Fund since its inception in 2001, sharing the responsibility in combating HIV/AIDS, which has become a pandemic of unprecedented dimensions.

With this shift to new forms of Global Health Initiatives, tangible results have been achieved. I would like to mention just a few:

The scaling up of cost-effective interventions in fighting HIV/AIDS, Malaria and TB has led to substantial increases in coverage and access, especially in resource-poor settings.

[3] Lu et al, 2010

This created opportunities to improve health outcomes by expanding services in low-income settings.

- At the end of 2008, over 4 million people had gained access to AIDS treatment, representing over 40 % of those in need.
- AIDS mortality has since decreased in many high-burden countries, and an increasing number of HIV-positive pregnant women have been covered by prevention of vertical transmission.
- 6 million new cases of infectious tuberculosis, many of them co-infections with HIV, were detected and treated. In 2000 prevalence of TB was 220 per 100,000. The world is on track to meet the international target of halving TB prevalence by 2015, if challenges such as multi-drug resistance are tackled and overcome.

The AIDS epidemic has also provided a unique opportunity for donors, implementing countries and civil society to work together in global health discussions and for the promotion of transparency and social accountability.

Switzerland's commitment to poverty reduction and the MDGs is reflected in the current „Message on countries of the South 2009 – 2012 („Südbotschaft") of the Federal Council", giving SDC a mandate to contribute to global burden sharing in the response to HIV.

SDC's spending that can be allocated to the MDG 6 – to halt the spread of HIV/AIDS and to achieve universal access to treatment – now accounts for around 30% of the overall SDC investment in health. In the nineties, SDC allocated some 15 million CHF annually to promoting reproductive health including HIV/AIDS. The amount increased to more than 40 million in 2007.

Support from multilateral UN institutions such as UNAIDS, UNICEF, UNFPA, WHO, etc. as well as from the GFTAM is an important contribution to international efforts to deal with AIDS. Currently Switzerland contributes CHF 5 million to UNAIDS and CHF 7 million to the Global Fund.

Swiss cooperation with GFATM

Switzerland is an active participant in the board of the GFATM, the governance structures of the Global Fund, contributing to the policy dialogue in a board constituency with Canada and Germany.

Although Switzerland's contribution to the GFATM is rather modest, it has a comparative advantage because it has widely recognized operational experience in piloting and implementing programmes at the community level though its partners. This access to a reality check of approaches and policies is also a core contribution of Switzerland to the governance and policy dialogue within the GFATM. SDC is channelling lessons learnt into the policy process and facilitating the implementation of strategic GFATM decisions at the country level.

It remains a challenge to harmonize donor programmes among the different donors and with national plans to reach country ownership and leadership. Often those countries needing most additional resources for reducing the impact of HIV have limited capacities to exert pressure for donor harmonization.

Alignment and harmonization is therefore a Swiss priority in cooperation with the GFATM, with the objectives to

- Improve the alignment of Global Fund with country-led policies and processes.
- Improve the functioning and accountability of the Country Coordination Mechanisms (CCM)

- Support policies agreed between government and Development Partners at country level
- Integration of CCMs into existing coordination structures

Another strategic priority of SDC's cooperation with the GFATM is focusing on efficiency and effectiveness for

- Achieving sustainable impact on the three diseases (MDG 6)
- Ensuring the most effective use of resources by the Global Fund and principal recipients
- Improving country level data to provide a basis for national strategy planning
- Implementing the external audit recommendations at country level, SDC is supporting the GFATM in the development of a sustainable funding strategy to ensure long-term sustainable financing of the country programs and to limit the necessary resources need from donors.

For donors and funding intermediaries it is difficult to maintain support. All global health initiatives report that funding for AIDS from traditional sources levelled off in 2009. This may remain the case for years after several years of constant and rapid growth.

This changing environment is putting pressure on donors to increase the stability and predictability of funding so that AIDS programmes at the country level and implementing organizations know how much funding is available over a longer period. This can help to avoid stop-start situations, leading either to slower scale-up than feasible or to a too rapid establishment of programmes which cannot then be sustained.

Integration of vertical programmes into the strengthening of health systems

The question of how global health initiatives with disease specific funding can strengthen health systems is highly controversial.

In March 2009 the Global Fund, GAVI and the World Bank launched an inter-agency consultation on aligning Health System Strengthening (HSS) frameworks with the aim of developing a common platform for joint HSS funding and programming.

This current discussion is crucial for achieving long term health outcomes for all groups in society, and universal access to health services especially for the poorest, most vulnerable and marginalized groups. There are high expectations for this Joint Platform for Health Systems Strengthening of the major global health initiatives to make a substantial contribution, in simplifying procedures and building on existing processes instead of parallel systems, and that poor countries can be better included in the governance structure.

Substantially more and additional resources for the strengthening of health systems are needed on a long-term base.

SDC is supporting GFATM extending and supporting an extension use of the "health system strengthening" window of the GFATM.

How can Global Health Initiatives more effectively combat existing bottlenecks of health systems such as physical inaccessibility, poorly motivated staff with inadequate skills, weak planning and management, lack of intersectoral action and partnership, and poor quality care amongst private providers?

Tanzania: Foreign Aid – blessing or challenge?

Additional disease-specific funds are often huge in comparison with national budgets and can create problems of absorption capacities and undermine transparency in the

allocation of national budgets, e.g. governments decide to redirect funds to other priority health programmes which do not receive sufficient donor funding. This is a big challenge in Tanzania, which has chosen a multi-sectoral approach for its response to HIV/AIDS.

In 2008-09 the amount invested in HIV/AIDS was equivalent to 62.25% of the overall Health Sector Budget.[4]

67% percent of that money was from foreign sources, and 88% of the foreign aid was off budget, meaning that it does not appear in the government budget. Only 12% was on-budget.

Tanzania has to manage and negotiate the advantages and disadvantages of the on and off-budget funding for its response to HIV.

The challenge with off-budget contributions consists mainly in the low transparency and weak domestic accountability, as the parliament has no control over off-budget items

On-budget contributions are integrated into the national system of planning, budgeting, accounting and reporting. But the challenge is the execution, because on-budget relies on relatively weak systems and absorption capacities. In Tanzania the execution level decreased from 86% (2006/07) to 65% (2008/09) of actual expenditures.

So in Tanzania the national HIV/AIDS response is mainly donor dependent regarding financing, and national ownership is weak: only 10% of government expenditure is locally financed.

Despite these large investments, national targets have not been reached. This is due to health system weaknesses.

Tanzania is confronted with positive as well as with challenging trends:

- High predictability of foreign aid (positive!) but low transparency of the off-budget support
- In future the budget of GFATM and PEPFAR seem to show an increased allocation for enabling environment, the health system strengthening.
- But in Tanzania too, the gap between estimated needs and available resources is huge, despite continued funding for the next three years.

What needs to be done?

- To achieve universal access to care, prevention and treatment, it is vital that actions are taken to safeguard the gains that have been achieved in recent years. Merely maintaining expenditure levels risks undermining the achievements of previous investments.
- Current donor funding is not sufficiently predictable nor sufficiently large to help achieve health MDGs, especially in the area of women's and children's health. Even if efforts to improve the effectiveness of current aid for health are successful, an increase in resources is required. SDC supports innovative financing which focuses on new sources and new instruments for raising funds, usually outside tax revenue systems, which will continue to play an important role.
- It is essential that all actors - governments, multilateral organisations, civil society organisations and the private sector - to put HIV programmes on a more solid and sustainable base to prevent new infections, to keep people infected with HIV

[4] 93% of all foreign funding comes from two donors: GFATM (20%) and PEPFAR (73%)7% are from 13 other multi- and bilateral donors (most of them are part of the General Budget Support and respect the agreed principles of the Paris Declaration)

healthy and productive and to improve the living conditions of children affected by HIV Aids in their communities.

- Finally, an important mitigation strategy is to lowering the input costs, to raise the efficiency of spending, for example by reducing the prices for second-line antiretroviral drugs (as negotiated in 2009 by UNITAID and the Clinton Foundation). [5]

- [5] The increase in second-line numbers that can be expected as treatment programs mature may cause a meaningful increase in the overall average cost per patient treated.