

PRIORITISATION IN FINANCING FOR COMBINATION HIV PREVENTION



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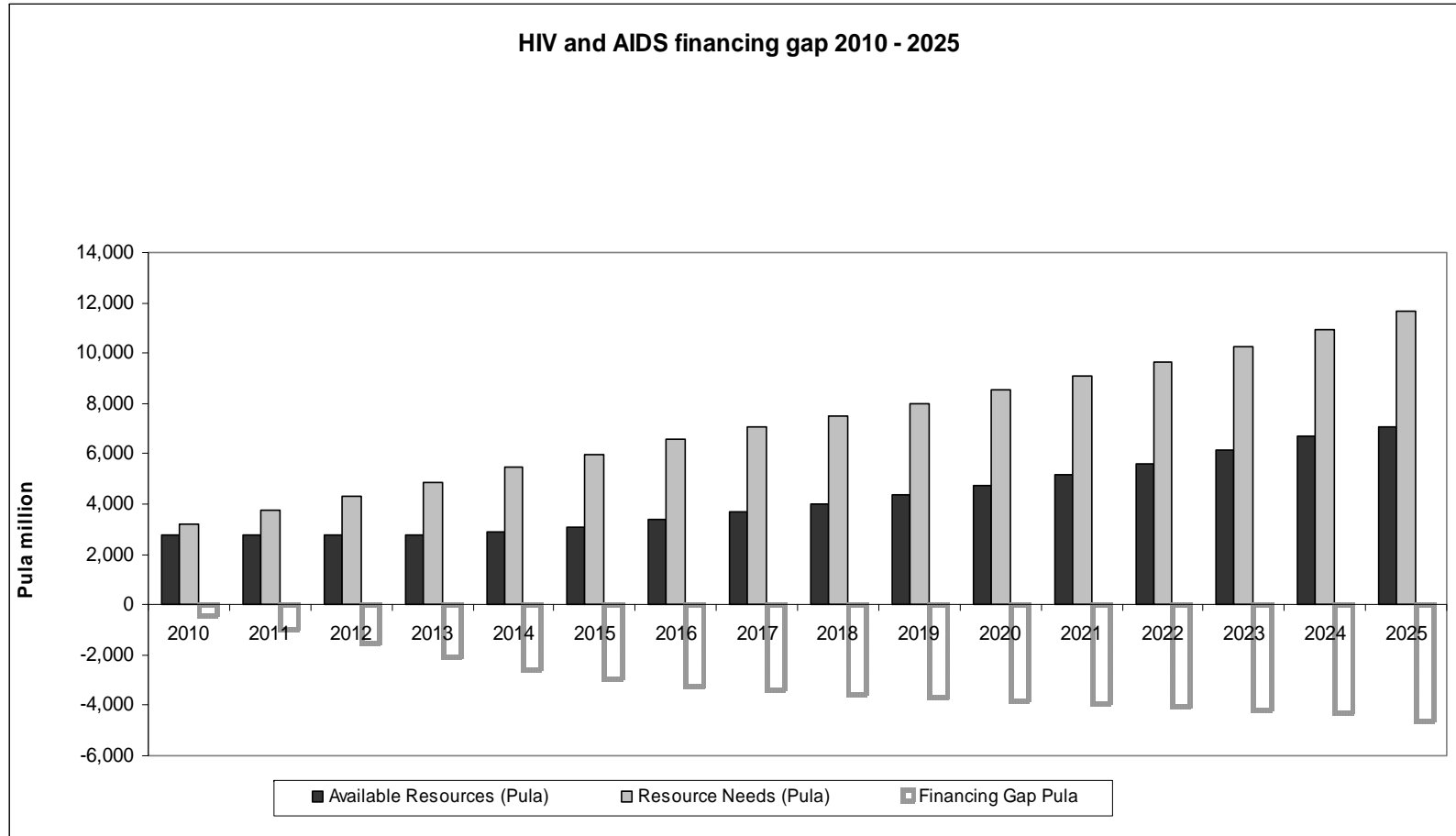
Rationale

- AIDS is a long-term epidemic that requires a **predictable** commitment of resources in the long term
- There are many diverse health and development issues that compete for the same inadequate resources.

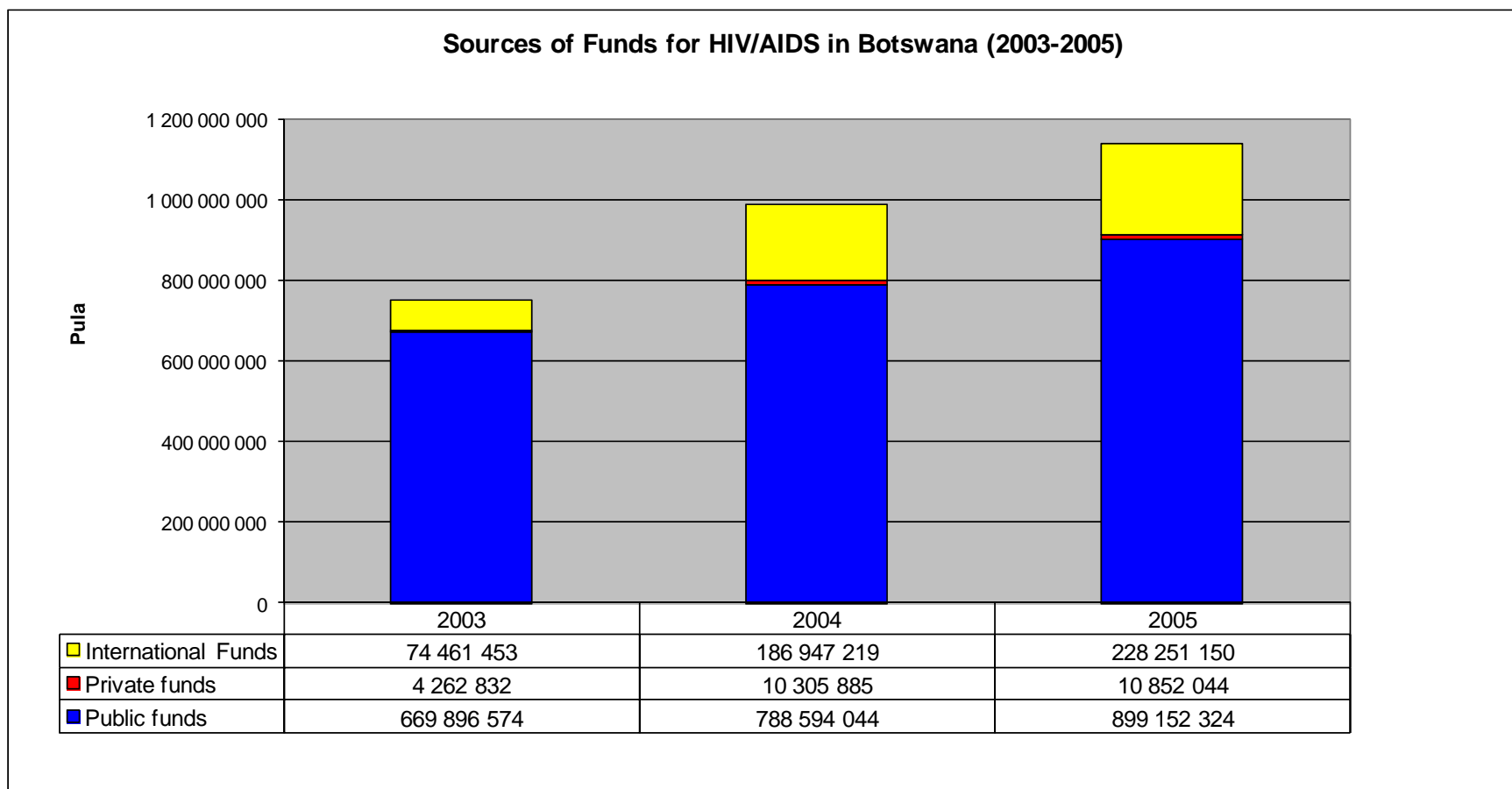
Rationale....

- **The success of ART programmes has contributed to the understanding that, on ethical grounds, AIDS programmes and particularly ART treatment creates a life-long entitlement of HIV positive citizens from their Governments**
- **The question how this life-time entitlement will be financed has become particularly critical**

HIV & AIDS financing gap 2010-2025



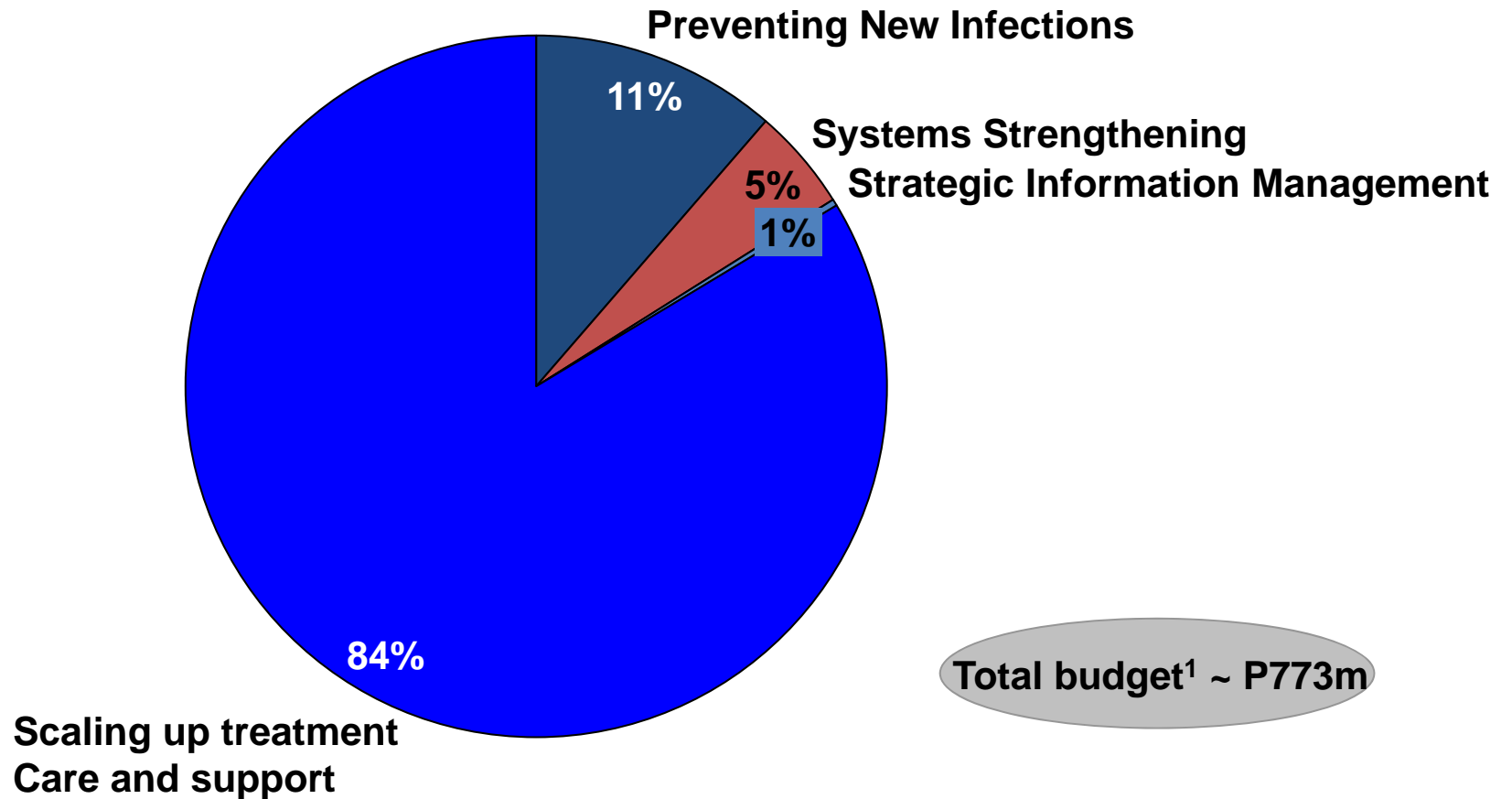
Strong domestic financial commitment.



Source: National AIDS Spending Assessment[®] (NASA) – Botswana 2006 .

GOB budget allocation by NSF II priority PRELIMINARY

Government of Botswana HIV/AIDS Budget by NSF II priority area
Percentage



1 ~P9m unclear allocation

SOURCE: NACA FY11 budget; Team analysis

Resource Needs- Filling the Gap

HIV AND AIDS RELATED COSTING STUDIES e.g

1. Financial Gap Analysis for HIV and AIDS
2. Costing of National Operational Plan
3. Sustainable Financing Options for HIV and AIDS
4. National AIDS Spending Assessment – NASA
5. Implications of Treatment Guidelines from 250 to 350 CD4

Strengthen Country Ownership

Engage and align all stakeholders in the national HIV and AIDS response around;

A vibrant partnership that can mobilise resources, steer activities, contribute to the strategic framework and governance

A response that is delivering results to which contributing partners are held accountable while improving the organisational effectiveness of the national response to HIV and AIDS

CONTRIBUTIONS OF DIFFERENT STAKEHOLDERS

Civil Society

- Part of Joint Oversight Committee
- Development and implementation of sector specific HIV activities
- Strengthen their coordination, governance, accountability and reporting mechanisms
- Resource mobilisation to support implementation of identified programmes
- Development of programmes that specifically target MARPS

Private Sector

- Implementation of HIV workplace programmes based on the minimum national package
- Mainstreaming of HIV and AIDS in all development projects
- Financial and technical assistance to the national HIV and AIDS response

National, Regional & International Tech & Financial Support

PARTNER	FOCUS AREA
GTZ: (German Technical Coop).	Local Level Response
Bristol Myers Squibb (BMS)	Accelerating ARVs provision
Swedish International Cooperation (SIDA)	HIV Prevention
Botswana Harvard Partnership	<ul style="list-style-type: none"> -HIV & AIDS Research -Vaccine Trials
Department For International Cooperation (DFID) SADC Regional Project: Botswana, Namibia, Lesotho & Swaziland	<ul style="list-style-type: none"> -Behaviour Change Communication -HIV & AIDS -Sexually Transmitted Infections (Targets High Transmission Areas, High Transit Sites, CSW, Mobile Population/Cross Borders)

National, Regional & International Tech & Financial Support

PARTNER	FOCUS AREA
<p>ACHAP (African Comprehensive HIV/AIDS Partnership)</p>	<ul style="list-style-type: none"> -Prevention -Treatment -Care & support -Monitoring & evaluation
<p>CDC/BOTUSA (Centre for Disease Control/Botswana USA Collaboration:</p>	<ul style="list-style-type: none"> -Prevention -Care & Support -TB Research (Prevention/diagnosis/Treatment) -HIV Prevention Research (including clinical trials of microbicides)
<p>PEPFAR (US President's Emergency Plan for AIDS Relief) – linked to BOTUSA</p>	<ul style="list-style-type: none"> -Prevention -Care -Treatment
<p>Global Fund</p>	<ul style="list-style-type: none"> -Prevention & Treatment -Care & Support -Ethics & Law

Alternative Financing Options

- Increasing the allocations to HIV/AIDS programmes as part of the general government spending / resource allocation process;
- Increasing general taxation (such as income tax or VAT) and either earmarking part of the proceeds specifically for HIV/AIDS programmes (i.e. ring-fencing HIV/AIDS allocations from the general spending / resource allocation process) or assuming that general increases in revenue base will result in increases in HIV/AIDS expenditures;
- Using new or existing taxes or levies specifically to fund HIV/AIDS programmes;
- Improving efficiencies in HIV/AIDS programmes to reduce resource needs.

Using new or existing taxes or levies specifically to fund HIV/AIDS programmes

- **Airport Departure Tax**
- **Telecommunication Levy**
- **Aids levy on Gross earnings**
- **Alcohol Levy**
- **Pooling resources for HIV and AIDS**
 - State-funded systems through ministries of health or national health services
 - Social health insurance
 - Voluntary or private insurance
 - Community based health insurance

Summary of Alternative Financing Options for HIV/AIDS programme

Table 1.1

Financing mechanism	Amount (2025)	Average % of financing gap filled	Pros	Cons
Air travel levy	P346m	5.1%	International precedent	Distortionary, hits tourism
Airtime levy (0.5%)	P38.5m	0.9%	Ease of collection, broad-based, firms pay for benefits of HIV/AIDS programmes	Distortionary, insignificant amount Negative impact on investment & growth
Income tax levy (1%)	P886m	14.4%		
Alcohol levy	P1129m	18.4%	Already exists, partially unappropriated revenue, politically palatable, some link to causation	?
VAT (1%)	P2212m	35.8%	Ease of collection, broad based, raises large sums, makes costs of HIV/AIDS obvious	Regressive, raises inflation (temporarily)

Technical efficiency

- **Health system efficiencies.**
 - updating of treatment guidelines to rationalise treatment practice,
 - an improvement of the drug supply chain management to avoid expensive emergency treatment,
 - staff efficiencies
 - automation and the integration of HIV/AIDS into the standard MOH planning and implementation processes to avoid inefficiencies due to a vertical approach.
 - **The use of generic ARV drugs.**

HIGH LEVEL of POLITICAL COMMITMENT & VISIONARY LEADERSHIP



H.E President Khama touring exhibition stalls after delivering the 2011 December 1, World AIDS Day message.



Former President Mogae & current Vice President Merafhe Co-chairing quarterly National AIDS Council Meeting