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

Available Resources (Pula)  Resource Needs (Pula)  Financing Gap Pula

Pula million vs. 2010-2025
### Sources of Funds for HIV/AIDS in Botswana (2003-2005)

<table>
<thead>
<tr>
<th>Year</th>
<th>International Funds</th>
<th>Private Funds</th>
<th>Public Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>74 461 453</td>
<td>4 262 832</td>
<td>669 896 574</td>
</tr>
<tr>
<td>2004</td>
<td>186 947 219</td>
<td>10 305 885</td>
<td>788 594 044</td>
</tr>
<tr>
<td>2005</td>
<td>228 251 150</td>
<td>10 852 044</td>
<td>899 152 324</td>
</tr>
</tbody>
</table>

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

Percentage

- Preventing New Infections: 11%
- Systems Strengthening: 5%
- Strategic Information Management: 1%
- Scaling up treatment Care and support: 84%
- Total budget: ~P773m

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
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

<table>
<thead>
<tr>
<th>PARTNER</th>
<th>FOCUS AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTZ: (German Technical Coop).</td>
<td>Local Level Response</td>
</tr>
<tr>
<td>Bristol Myers Squibb (BMS)</td>
<td>Accelerating ARVs provision</td>
</tr>
<tr>
<td>Swedish International Cooperation (SIDA)</td>
<td>HIV Prevention</td>
</tr>
<tr>
<td>Botswana Harvard Partnership</td>
<td>- HIV &amp; AIDS Research</td>
</tr>
</tbody>
</table>
| Department For International Cooperation (DFID) SADC SADC Regional Project: Botswana, Namibia, Lesotho & Swaziland | - Behaviour Change Communication  
- HIV & AIDS  
- Sexually Transmitted Infections  
(Targets High Transmission Areas, High Transit Sites, CSW, Mobile Population/Cross Boarders) |
# National, Regional & International Tech & Financial Support

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</table>
| **ACHAP** (African Comprehensive HIV/AIDS Partnership) | -Prevention  
- Treatment  
- Care & support  
- Monitoring & evaluation |
| **CDC/BOTUSA** (Centre for Disease Control/Botswana USA Collaboration:) | -Prevention  
- Care & Support  
- TB Research (Prevention/diagnosis/Treatment)  
- HIV Prevention Research (including clinical trials of microbicides) |
| **PEPFAR** (US President’s Emergency Plan for AIDS Relief) – linked to BOTUSA | -Prevention  
- Care  
- Treatment |
| **Global Fund**                  | -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**

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