

"PRIORITIES OF HEALTH ECONOMICS IN AFRICA"

Inaugural Conference of the African Health Economics and Policy Association (AfHEA) 10th – 12th March 2009 - Accra. Ghana

Plenary session 5: International health financing mechanisms

PL 05/1

Resource Allocations for HIV and AIDS in Southern Africa ~ Are Funds being Aligned to National Strategic Priorities? A cross-country comparative study

Guthrie, T.¹, Kioko, U., Chitama, D., Banda, P., Chitsomia, A., Madadume, B.

¹ Centre for Economic Governance and AIDS in Africa (CEGAA), Cape Town, South Africa

Background: With the increasing financial resources for HIV/AIDS in recent years and the emphasis on harmonization and alignment (since the Paris Declaration), many Southern Africa governments are taking measures to monitor the degree of alignment of the actual spending of both domestic and external funds for HIV and AIDS. Botswana, Mozambique, Swaziland, Lesotho and Zambia recently undertook National AIDS Spending Assessments (NASAs) for 2005/06 and 2006/07.

This study sought to compare the findings of the NASAs undertaken in Botswana, Lesotho, Swaziland and Zambia.

The **objectives** were: To compare levels of spending, both domestic and international, for HIV/AIDS in the four countries.

- 5. To consider the adequacy and alignment of the funds for the attainment of their National Strategic Plans (NSPs).
- 6. To measure the absorption of these funds according to the different funding mechanisms.
- 7. To compare unit costs for key interventions (where output data was available the NASA methods would not provide the data for a full economic evaluation to compare the efficiency of spending).

Methods: This study relied on the data captured by the in-country studies which used the NASA approach, which tracks the funds from source, through financing agent, to provider and ultimately to the activities and beneficiaries of spending. The study made use of quantitative comparative indicators, using Acess, Excel and Stata for further investigation.

Results: The findings are not yet ready since the country NASAs are not complete. However, it is expected that the findings will provide evidence regarding:

- 1. Levels of domestic and international funding commitments and actual expenditure for HIV/AIDS in Swaziland, Lesotho and Zambia in 2005 and 2006. Initial results show an average of 70% coming from external sources.
- 2. Comparison of spending with the anticipated costs of rolling out their NSPs found that the NSPs were poorly costed and therefore meaningful comparison was difficult. However, proportionally, priorities appear to being addressed.
- 3. There are definite improvements in donor harmonization and alignment, with the exception if a few specific sources of funds.
- 4. The funding mechanisms appear to influence the degree of absorption of funds, among many other factors.
- 5. Comparison of unit costs of key interventions within the SADC region has been difficult due to poor or non-comparable out-put indicators.

Conclusions: the study findings will enhance evidence-based decision-making in the SADC region on issues relating to HIV/AIDS financing.