**AIDS 2016 Conference in Durban, South Africa:** **“Analyzing Current Funding for HIV and TB in South Africa to Improve the Allocative Efficiency of the Response”**

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Background:

The South African government’s increasing allocation of resources for HIV requires substantial financial planning with development partners. To assess past allocative efficiency and enable more evidence-based joint planning, the government of South Africa and UNAIDS undertook an Investment Case to jointly assess past spending and determine the most impactful future allocations across ten interventions.

Description:

As part of the Investment Case, we conducted an analysis of HIV and TB spending in South Africa by the government, PEPFAR, and the Global Fund. This analysis built on earlier exercises to map and analyze PEPFAR financing. We undertook the analysis using publicly available financial data to ensure replicability and compatibility going forward. Findings were compared against the Investment Case’s proposed optimal mix of cost-effective interventions.

Lessons learned:

The tracking provides an innovative approach to consolidating data from domestic and international funders into a database compatible with public finance data, potentially enabling routinizable and real-time analysis for use by the government and partners.

Total HIV and TB spending in South Africa steadily increased from R17.4 billion in 2011/12 to R22.1 billion in 2013/14. The government accounted for the largest share (80%), followed by PEPFAR (17%) and the Global Fund (3%). The government’s expenditures steadily increased even as the South African economy declined and other public expenditures dropped. PEPFAR’s contribution decreased over time, while the Global Fund contribution increased.

A comparison of expenditures against the Investment Case’s proposed optimal mix found that South Africa’s HIV response was allocatively efficient. Only 14% of expenditures were for interventions not found to be cost-effective in the evidence review, but these could be considered important programme or social enablers.

Conclusion and Next Steps:

This exercise represents a first attempt at routinizing joint expenditure analysis for HIV and TB in South Africa. It provides a model that can be used going forward in South Africa and tailored for use in other countries. The findings of the Investment Case were used to improve the efficiency of allocations in the government’s 2015/16 budget. We are now working to institutionalize this approach within the government’s systems in conjunction with the System of Health Accounts, to enable improved evidence-based joint planning.