



Joint United Nations Programme on HIV/AIDS

UNAIDS

UNICEF-WFP-UNDP-UNFPA-UNODC
ILO-UNESCO-WHO-WORLD BANK

Fact sheet

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FUNDING FOR AIDS

New resource needs estimates

- In 1996 when UNAIDS was created, spending on AIDS in low- and middle- income countries totalled US\$300 million, but due to increased resources today there is nearly US\$5 billion available to fight AIDS in the developing world – a 15-fold increase. Despite considerable, recent progress on this front, funding is less than half of what is needed.
- New global estimates, strengthened by the work of experts in 78 countries, show that for effective world-wide responses to AIDS, US\$12 billion are needed by 2005. By 2007 this amount grows to \$20 billion.
- Included in the US\$20 billion estimate is US\$10 billion for prevention services, US\$7 billion for care and treatment, US\$2 billion for orphan support and US\$1 billion for policy, advocacy, and administration.
- The US\$20 billion in 2007 would provide antiretrovirals to just over 6 million people (over 4 million in sub-Saharan Africa), support for 22 million orphans, and provide HIV voluntary counseling and testing for 100 million adults, school-based AIDS education for 900 million students and peer counseling services for 60 million youth not in school.
- About 43% of these resources will be needed in sub-Saharan Africa, 28% in Asia, 17% in Latin American and the Caribbean, 9% in Eastern Europe and 1% in North Africa and the Near East .
- In sub-Saharan Africa, 38% of the resources will be needed for HIV care and treatment, 35% for prevention, 22% for orphan support and 5% for other programme costs, including policy, advocacy and administration.
- In other regions, the breakdown is quite different since Asia will need 77% for prevention, while Latin America will need 62% for treatment.
- Countries with the largest resource needs include large countries with high HIV prevalence levels (South Africa, Nigeria and Ethiopia), those with lower HIV prevalence, but very large populations (China, Russia and India), and those with high coverage rates (Brazil).

Improved methodology at the country level

- UNAIDS, in partnership, with the Futures Group and with support from the Inter-American Development Bank, the World Bank and the Asian Development Bank, organized nine regional and sub-regional workshops between January 2002 and April 2004 to train country teams in the methodology and models used to estimate required resources. For the first time, the revised estimates reflect data obtained from 78 countries, many of which are on the frontlines of the AIDS epidemic.

The estimates take into account the following factors not included in the 2001 estimates:

- safe medical injections
- universal precautions for health care workers (gloves, gowns, masks)
- post-exposure prophylaxis
- scaling up of HIV testing services (severely lacking in many developing countries)
- the need for comprehensive services to support antiretroviral drug delivery, such as nutrition, community level counselling and adherence monitoring
- expansion of prevention services to include migrants, prisoners and people living with HIV

Bridging the gap

- In order to bridge the AIDS funding gap, budgetary allocation in low- and middle-income countries would have to increase, but a substantial proportion will need to come from international sources (up to 80% in sub-Saharan Africa and parts of Asia).
- The funding shortfall cannot be met by a single source. More sources will need to contribute significantly if we are to save the millions of lives threatened by AIDS.
- Many national governments, donors, foundations and commercial companies have increased funding for AIDS programmes. As of 2003, the Global Fund to Fight AIDS, TB and Malaria had approved 227 grants totalling \$2.1 billion in 124 countries and had already disbursed \$232 million. About 60% of these funds are for AIDS programmes.
- Through its Multi-Country AIDS programme, the World Bank has approved US\$1 billion as grants or interest free loans to countries in sub-Saharan Africa to support their AIDS programmes, and US\$155 million for the Caribbean.
- In early 2003, the US President's Emergency Program for AIDS Relief (PEPFAR) proposed that the US commit US\$15 billion to fight AIDS over a five-year period to 2008. The US government began spending money in 14 countries in 2004 and allocated US\$2.4 billion for the first year. President Bush has requested US\$2.8 billion for 2005.
- Domestic spending on AIDS has increased dramatically in many countries, including some of the poorest. UNAIDS estimates that total domestic government spending on AIDS programmes in 2002 by 58 low- and middle-income countries reporting data for three years was about US\$995 million – twice the amount documented in 1999.
- South Africa, which has the largest number of HIV-positive people in the world, has raised AIDS spending in the national budget for 2003-2004 by 86% over the previous financial year.
- But low-, and even middle-income countries, find it difficult to boost domestic spending to the level needed; this often results in unsustainable responses, especially treatment programs. The long-term impact of stop-start efforts can have devastating effects.

Debt relief

- More than one third of the world's HIV-positive people – or 14 million – live in countries classified by the World Bank as heavily burdened by debt. In 2002, the 42 poorest and most indebted countries – 34 in sub-Saharan Africa – together owed US\$213 billion.
- Reducing the debt burdens of poor countries has the potential to boost the AIDS response where it is most needed. But debt relief cannot play a meaningful role in reducing the funding gap for AIDS unless it is genuinely additional to existing levels of foreign aid.

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