

SHARED RESPONSIBILITY AND GLOBAL SOLIDARITY

Leveraging the AIDS response for Africa's sustainable development

High-level side event at the United Nations 67th General Assembly, New York, 26 September 2012

AFRICA IN THE LEAD

In July 2012, the African Union Assembly adopted the Roadmap on Shared Responsibility and Global Solidarity for the AIDS, TB and malaria response in Africa. The Roadmap presents a new paradigm of sustainable development cooperation and an agenda for transition to a country ownership and African-sourced solution.

One of the principal architects of this agenda was the late Prime Minister Meles Zenawi of Ethiopia. His vision was of Africa taking charge of its destiny by relying more on its own vast resources and expertise.

We pay tribute to Prime Minister Zenawi's legacy of encouraging African approaches to shared responsibility for the health, dignity and empowerment of Africans. He would be proud of the achievements of many African countries for their leadership on the shared responsibility agenda.

We salute President Thomas Boni YAYI of Benin, Chairperson of the African Union, for building on this critical momentum.

“There is no doubt in my mind that those of us in the developing world have to do more and better and to take advantage of our destiny...I know that this is easier said than implemented all the more so because of the external assistance we get has in practice been predicated on us towing the line of the donor community... The fact remains, however, there is no possibility of us keeping our promise to our people unless we do more and better to take charge of our destiny and depend on our own resources as the primary means of achieving the MDGs.”

Meles Zenawi
Late Prime Minister of Ethiopia

Tangible Progress Across Africa

- *Domestic resources are overtaking international investments for the HIV response.* With an increase of more than 15% between 2010 and 2011, for the first time ever in 2011, domestic resources exceeded international investments in the global AIDS response.
- *Domestic investments are doubling in many countries.* Between 2006 and 2011, domestic investments in HIV rose more than 100% in Algeria, Congo, Côte d'Ivoire, Guinea, Kenya, Lesotho, Madagascar, Mauritius, Morocco, Nigeria, Rwanda, Sierra Leone, South Africa, Togo, and Uganda.

Domestic Leadership and Innovative Financing

- *Tapping new trends.* **Rwanda** and **Uganda** now place levies on mobile phone usage with proceeds supporting HIV programmes.
- *Home grown solutions.* In **Zimbabwe's** formal sector, 3% of the tax levied on the taxable income of institutions and individuals is reserved for HIV programmes.
- *Sourcing market alternatives.* In 2011, the Government of **Cameroon** joined **Congo, Madagascar, Mali, Mauritius** and **Niger** in applying an airline levy with funds set aside for HIV programmes.
- *AIDS levies.* **Cape Verde, Comoros** and other countries impose alcohol excise taxes with funds earmarked for HIV programmes.
- *Approaching universal health insurance coverage.* After a three year pilot programme, now over 90% of **Rwandans** enjoy health insurance.
- *Closing the investment gap.* Domestic funding has increased in **Malawi** through the National AIDS Trust Fund (NATF), a tax-based mechanism to pay for AIDS treatment. A Trust Fund for HIV and selected non-communicable diseases is currently under consideration by the **Kenyan** Cabinet, while the President recently announced his decision to increase domestic investments in HIV. Over the past year, **Benin** piloted a scheme for results-based financing – in the context of plans to increase domestic resources for HIV treatment and prevention.
- *Taking ownership of its treatment programme.* Since 2010, the Government of **Swaziland** has relied exclusively on domestic resources for its ARV medicines.
- *Meeting Abuja targets on health spending.* **Botswana, Rwanda** and **Zambia** met the Abuja targets of allocating 15% of their budgets to health.
- *Alternative approaches to financing social insurance.* Over 90% of patients in both private and public facilities in **Ghana** are health insurance subscribers. Dedicated taxes, payroll contributions and general budgetary sources are pooled together to finance the scheme. **Ghana** recently increased the value-added tax (VAT) by 2.5% to contribute to the pool, with some funds earmarked for HIV treatment.

- *Incremental steps to ownership.* Domestic funding of the AIDS response has increased in **Namibia** from 50% to 60% between 2008/09 and 2010/11.
- *A concerted commitment across government.* **Ethiopia** has committed 2% of the budget of each public sector body for HIV. In **Swaziland**, all public bodies are required to devote 2% of their budget to workplace policies for their staff. Similarly, the Government of **Malawi** requires all ministries and departments to allocate a minimum of 2% of their Other Recurrent Costs budgets to HIV-related activities.
- *Renewed political will.* The **Gambian** Government's contribution to its national response has increased from GMD 1.8 million per year in 2008-2011 to over GMD 5 million in 2012. *Preparing for the future.* In its 2012 budget, the Government of **Niger** dedicated USD 2.5 million for AIDS treatment with plans to double that amount in 2013.
- *Moving toward smarter investments.* The **Egyptian** National Strategic Plan for 2012-2016 is directed at high-impact interventions and the country now finances 50% of its response domestically.
- *Taking the lead in treatment and prevention.* In 2011, the Government of **Gabon** increased the National Fund for HIV Prevention and Treatment by approximately 150%.

Pharmaceutical Production and Regulation

- *Local production to deliver ARV security.* **Kenya, South Africa, Uganda** and **Zimbabwe** now produce WHO pre-qualified ARVs.
- *Leading Africa on Active Pharmaceutical Ingredients for ARVs.* **South African** state-owned company Pelchem is embarking on a joint venture with the Swiss Lonza Group to produce antiretroviral APIs by 2016.
- *Strengthening medicines regulation.* **Nigeria** is strengthening regulations in its pharmaceutical market, thereby increasing consumer confidence and decreasing illegal distribution networks.
- *AIDS treatment as a platform for industrial development.* The **Kenyan** Government has identified pharmaceutical manufacturing as a key industrial sector for development.
- The **African Union Commission** adopted the *Pharmaceutical Manufacturing Plan for Africa* to respond to the Continent's need for a secure and reliable supply of quality-assured, affordable and accessible medicines.
- The **NEPAD Agency** is leading the *African Medicines Regulatory Harmonization* initiative, a platform for regulatory harmonization at the Pan-African and regional levels.

Global Solidarity and South-South Cooperation

- **Mozambique's** recent partnership with Brazil involves the development of a new pharmaceutical plant that will produce ARVs for people living with HIV in Mozambique and the region.
- **Tunisia** is taking steps to make the technical capacity of its pharmaceutical industry available for the production of ARVs for Africa. It also plans to support countries in the Middle East and sub-Saharan Africa to improve AIDS responses, health integration and community mobilization and support.
- The **Tunisian** government is also aiming to finance just over 70% of its HIV response domestically with almost universal treatment coverage – including coverage for non-nationals in need.
- In a joint venture between the Indian pharmaceutical company Cipla Ltd. and the Ugandan Government, **Uganda** agreed to invest a 23% stake in the company. In addition to capital, the Government provided several investment incentives for its Indian business partner.

These examples are purely illustrative and as such do not represent a comprehensive overview of domestic HIV financing and solidarity efforts; rather it is a sampling of various initiatives that are being put in place across the African Continent.