

## Resource needs for an expanded response to AIDS in low and middle-income countries

21 June 2005

In the four months since the high-level meeting, “The Global Response to AIDS: Making the Money Work – The Three Ones in Action” held on 9 March 2005, the estimates for the AIDS resource needs have been refined and updated. The revisions are based on recently available information and invaluable input from a recently formed Resource Needs Steering Committee and Technical Working Group which are made up of international economists and AIDS experts from donor and developing countries, civil society, United Nations agencies and other international organizations. Acknowledging that the estimation process has intrinsic limitations, at present these constitute the best available assessment of global needs for AIDS and a rational basis for further discussion about AIDS funding in the international arena. The coverage levels presented in the analysis should not be considered as agreed targets, but rather the outcomes that could be expected if these resources were spent.

The revised estimates indicate resource requirements of US\$ 15 billion in 2006, US\$ 18 billion in 2007 and US\$ 22 billion in 2008 for HIV prevention, treatment and care, support for orphans and vulnerable children (OVC)<sup>1</sup>, as well as programme costs (such as management of AIDS programmes, building and upgrading of hospitals and clinics) and human resource costs (includes training of new doctors and nurses and wage increases).

**Table 1. AIDS Resource needs (US\$ billion)**

	2006	2007	2008
<b>Prevention</b>	8,4	10,0	11,4
<b>Treatment and care</b>	2,9	3,9	5,0
<b>OVC</b>	1,6	2,1	2,7
<b>Programme costs</b>	1,5	1,3	1,7
<b>Human resources</b>	0,3	0,6	0,8
<b>Total</b>	<b>14,7</b>	<b>17,8</b>	<b>21,6</b>

These funding estimates are for the period 2006 to 2008, but the calculations are part of longer projections to achieve a comprehensive response for prevention, full coverage of OVC support and universal access to treatment globally by 2010. Although previous AIDS resource requirements included longer term investments to improve country capacity in the health and social sectors through training of existing staff and recruiting and paying new staff, this is the first time that significant capital investments for building necessary infrastructure have been estimated. These financial requirements for the human resources and programme costs are preliminary, and will be further refined and improved.

<sup>1</sup> OVC support includes education, health care support, family/home support, community support and administrative costs.

Meeting the 2006-2008 resource needs would result in the following achievements:

- **HIV Prevention** - A comprehensive prevention response to be achieved by 2010, as is required to turn around the AIDS epidemic, based on the current coverage of services and the most recent evidence on actual rates of scaling up prevention programmes.
- **HIV Treatment and care** – 75% of people in need globally (approximately 6.6 million people) will have access to treatment and care by 2008, based on current coverage rates and rates of growth as seen in 2004.
- **Orphans and vulnerable children** – Increase of support from low levels of coverage to full coverage of all orphans in Sub-Saharan Africa as well as of children orphaned due to AIDS in other low and middle-income countries.
- **Human resources** - Covering the costs of recruiting and training additional doctors and nurses in low-income countries, and two middle-income countries (South Africa and Botswana) The costs for the training of community health workers is also included in selected service costs. However, these current costs do not include additional tiers of health workers, especially nurse practitioners, clinical officers and laboratory technicians. Future analyses will address this.
- **Programme costs** – The construction of over 1000 new health centres (to be available by 2010), based on the investments made during 2006-2008. An additional 19, 000 health centres and 800 hospitals would be renovated over the next three years to handle the scaling-up of HIV treatment and care.

### **Available AIDS funding**

According to the latest UNAIDS projections, a total of US\$8.3 billion is estimated to be available from all sources in 2005, rising to US\$ 8.9 billion and US\$10 billion in 2006 and 2007 respectively. Therefore, it appears that there is a funding gap between resources available and those needed of at least US \$18 billion from 2005 to 2007. However, this is likely to be a significant underestimate. Determining the gap between resources available and resource needs is not a matter of simple subtraction. The resources available are based on pledges rather than budgets that have been finalized by governments; actual disbursements to countries are generally less than the total commitments; and the resources available are not necessarily being spent on the same sets of interventions that have been included in the resource needs estimations.

### **Way forward**

Funding estimates should be continuously improved as additional data become available to inform the assumptions about unit costs, the number of people in need and the activities to be included.

To address this, UNAIDS proposes to establish a longer term systematic and inclusive process that would utilize existing reference groups and create additional working groups to focus on the interpretation of new data and new approaches to modelling. UNAIDS Secretariat will work with the World Health Organization (WHO) and other partners to link disease-specific resource estimations with estimates of the resources required to strengthen the health sector in order to scale-up.

A new round of regional workshops will be convened for national experts to gather more information of in-country resource requirements and build country capacity in this area. Finally, UNAIDS and partners propose to release an annual report on current resources available from all sources and a biannual report on resource needs estimates through 2010.