Rethinking funding for HIV and AIDS: Opportunities for donor investments in global functions

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High-level studies suggest that ODA needs to evolve to support global functions
### What are global functions?
#### An alternative classification of donor financing for health

<table>
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<tr>
<th>GLOBAL FUNCTIONS</th>
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<tbody>
<tr>
<td>Supplying global public goods</td>
<td>• New product development (R&amp;D)</td>
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<td>• Knowledge generation/sharing: Population, policy and implementation research; basic research</td>
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<td>• Harmonization and development of norms, standards and guidelines</td>
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<td>• Market-shaping</td>
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<td>• Intellectual property sharing</td>
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<td>Managing cross-border externalities</td>
<td>• Control of cross-border disease movement</td>
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<td>• Outbreak preparedness and response</td>
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<td>• Responses to antimicrobial resistance</td>
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<td>Exercising leadership &amp; stewardship</td>
<td>• Priority setting / convening for consensus building</td>
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<td>• Health / multisectoral advocacy</td>
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<td>• Promotion of aid effectiveness</td>
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<th>COUNTRY-SPECIFIC FUNCTIONS</th>
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<td>Providing support to LICs &amp; MICs for country-specific purposes</td>
<td>• Provision of routine health services, such as prevention and treatment support, health systems strengthening</td>
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<td>• Support for vulnerable and marginalized subpopulations</td>
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ODA+: A more comprehensive picture of support from public donors for HIV

**Official development assistance (ODA) for HIV/AIDS**

**Additional funding for HIV/AIDS R&D**

=  

**ODA+ for HIV/AIDS**

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**OECD DAC, Creditor Reporting System (CRS), 2013**
- Disbursements from CRS, HIV/AIDS code
- Additional information used, e.g. PEPFAR expenditures database

**Policy Cures**
**G-FINDER database, 2013**
- Public spending for R&D beyond ODA

**Future Plans**
- Expanding scope beyond ODA+ to capture private spending
US$8.5 billion in ODA+ for HIV/AIDS in 2013

$7.8B
in ODA
for HIV/AIDS
(OECD, DAC, 2013)  

$0.7B
in additional R&D
funding for HIV/AIDS
(G-FINDER)

=  

$8.5B
in ODA+ for HIV/AIDS
17% of HIV/AIDS support was for global functions (2013); the largest portion of global support was for GPGs.

- Country-specific: 83%
- Global: 17%
- Global public goods: 14%
- Leadership: 2%
- Cross-border externalities: 1%

Total = USD 8.5B
Large share of HIV/AIDS GPG funds are directed to R&D and knowledge generation.

- **Knowledge generation & sharing**: 31%
- **R&D of new tools**: 68%
- **Other**: 1%

Total GPG spending for HIV/AIDS from public funds = USD 1.2B
Country-specific HIV/AIDS financing is more targeted at vulnerable populations in MICs

Total country-specific public spending for HIV/AIDS = USD 7.1B
Investments in global functions for HIV/AIDS offer huge opportunities, benefiting all countries

• **New products** offer efficiency gains core to the response:
  
  – Vaccine and cure remain important: A 70% efficacious HIV vaccine would reduce new infections by 44%

• Investments in **data and population, policy, and implementation research** help prepare for threats and inform policy and programmatic decisions ("best-buys")

• **Investments in global leadership, activism, and multisectoral advocacy** contribute to effective response
Global functions also offer an efficient way to address the “middle-income dilemma”

- As countries experience economic growth, aid can be shifted towards global functions

- **R&D**, collective purchasing of commodities, market shaping and intellectual property activities can greatly benefit MICs
  - Increased international efforts to control **MDR-TB** offer enormous gains – >60% of MDR TB cases are in LMICs

- Generating **knowledge on best-buy interventions** facilitates evidence-based investments

- Better quality and more widely disseminated **data** will also be highly beneficial for MICs
There are great benefits to shift country-specific support to vulnerable groups

- Limited funds would have greatest benefits by focusing on groups with the highest HIV rates: high-risk populations and hot spots
- Country-specific aid to countries capable of supporting their health systems should shift to global functions

**International solidarity going forward to focus on the poorest countries**

- Ongoing country-specific support should be sustained to the poorest countries
- About 25 LICs in 2035 in great need of support for basic health services
BACKUP SLIDES
Functional aid flows team

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Methodological approach

What’s Included:

- **Bilateral** health ODA for all donors, based on classifications from 8 donors’ OECD-DAC’s CRS
- **2013 disbursements**
- Funding differentiation at both:
  - **Global level** (bilateral unspecified)
  - **Country and regional levels**
- **Multilateral funding**, based on OECD-DAC’s CRS and/or additional information to develop a breakdown for each organization
- Assessment of donor funding for **health R&D** more broadly

Coding Process:

- Guided by a **codebook** – replicable
- **Iterative process**:
  - Reviewed CRS project descriptions and manually coded projects according to (sub-)functions
  - Conducted further research when additional data was needed