

LAO PEOPLE'S DEMOCRATIC REPUBLIC

Ministry of Health

Department of Hygiene and Epidemiology

Center for HIV/AIDS/STI

Country Report

on

National AIDS Spending Assessment (NASA)

Year 2000-2004 in Lao PDR

December 2005

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Glossary of Acronyms

ADB	Asian Development Bank
AIDS	Acquired Immune Deficiency Syndrome
ARC	Australian Red Cross
ARV	Anti-retroviral (treatment)
ASEAN	The Association of Southeast Asian Nations
USAID	United States of America International Development
AusAID	Australian Agency for International Development
ATS	Amphetamine Type Stimulant
BCC	Behaviour Change Communication
BCI	Behaviour Change Information
BI	The Burnet Institute (Macfarlane Burnet Institute for Medical Research & Public Health)
BSS	Behaviour Surveillance Survey
CHAS	Centre for HIV/AIDS/STI
CIDA	Canadian International Development Agency
CLE	(National) Centre for Laboratory and Epidemiology (NCLE)
DCCA	District Committee for the Control of AIDS
DU	Drug Users
EU	European Union
FHI	Family Health International
GDP	Gross Domestic Product
GFATM	Global Fund to Fight AIDS, TB, Malaria
GoL	Government of Lao PDR
GTZ	German Technical Co-operation (Deutsche Gesellschaft für Technische Zusammenarbeit)
GIPA	Greater Involvement of People Living with AIDS
HIV	Human Immunodeficiency Virus
HSS	HIV Seroprevalence Survey
IDU	Intravenous Drug Use
IEC	Information Education Communication
INGO	International Non-governmental Organisation
JICA	Japan International Cooperation Agency
JRCS	Japan Red Cross Society
LFNC	Lao Front for National Construction
LNP+	Lao Network of Positive People
LRC	Lao Red Cross
LTU	Lao Trade Union
LYU	Lao Youth Union
LWU	Lao Women's Union
MCTPC	Ministry of Communication, Transport, Post & Construction
M&E	Monitoring and Evaluation
MoIC	Ministry of Information and Culture
MoE	Ministry of Education
MoH	Ministry of Health
MoND	Ministry of National Defense
MoPS	Ministry of Public Security
MSF	Medecins Sans Frontieres
MSM	Men who have Sex with Men
NCA	Norwegian Church Aid
NCCA	National Committee for the Control of AIDS
NCCAB	National Committee for the Control of AIDS Bureau

NGO	Non-governmental Organisation
NORAD	Norwegian Agency for Development Co-operation
NBTC	National Blood Transfusion Centre
NRIES	National Research Institute for Education and Sciences
ODA	Official Development Assistance
OI	Opportunistic Infection
OPEC	Organization of the petroleum Exporting Countries
PCCA	Provincial Committee for the Control of AIDS
PDR	People's Democratic Republic
PEP	Post Exposure Prophylaxis (Prevention)
PSI	Population Service International
PLWA	People Living with HIV/AIDS
PMCT	Prevention of Mother to Child Transmission
SIDA	Sweden International Development Agency
SPPS	STI Periodic Prevalence Survey
STD	Sexually transmitted disease
STI	Sexually transmitted infection
SW	Sex Worker (Service Woman)
TB	Tuberculosis
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNESCO	United Nations Education, Sciences and Cultures Organization
UNICEF	United Nations Children Fund
UNODC	United Nations Office Drug Control
VCT	Voluntary Counselling and Testing
WHO	World Health Organization
WV	World Vision

Executive summary

Since the global spread of HIV epidemic, the government of Lao PDR has taken action to prevent the HIV epidemic even before the first case of HIV infection occurred in the country. The government has committed to fight against HIV/AIDS by establishing the National Committee for the Control of AIDS (NCCA) at the end of 1988. The government of Lao PDR has approved the restructuring of the NCCA due to the growing need for a more multisectoral response to HIV/AIDS in 2003. The NCCA is chaired by Minister of Health, vice chair from the Vice Minister of Information and Culture and the Vice Minister of Education. The members consist of different ministries and mass organizations. The purpose of this multisectoral response is to mainstream HIV/AIDS into socio-economic development plan in the country. Each province has set up the Provincial Committee for the Control of AIDS (PCCA) chaired by the governor or vice governor. There are District Committee for the Control of AIDS (DCCAs) chaired by district governor or vice governor.

The country has developed the National HIV/AIDS/STI Policy in 2001 and it is been reviewed. The National Strategic Plan for HIV/AIDS/STI and the National Action plan on HIV/AIDS/STI for 2002-2005 have been formulated and it is being reviewed and the National Strategic Plan is waiting for endorsement.

The National AIDS Spending Assessment aims to assess the situation of the actual National expenditures on HIV/AIDS activities over the last five years (2000-2004) from different institutions. The total AIDS expenditure over the past five years is estimated at Lao Kip 148.62 billion (USD 14.85 million). The expenditure trend has shown the steadily increase steadily every year from 2.1 million in 2000 to 4.99 million in 2004. There were two sources of National AIDS Spending, from the government (in kind see table 2), and from external assistant. Remarkably, a large spending of AIDS came from external sources of 98.83 percent to 99.83 percent.

Out of the expenditures for prevention related activities has covered 56 percent; AIDS programme costs 35.4 percent, treatment and care components 4.6 percent, human resource 3.6 percents, and Orphan and vulnerable children 0.4 percent, respectively.

The majority of prevention related activities included condom social marketing (28.7%), youth in and out of school (11.2%), safe blood(11.2%), improved STI services (9%), and mass media (5.9%). AIDS programme comprised of management 12.2%), training (9.1%), logistic and supply (6.4%).

Due to high mobility in the country, low condom use, low access to information on HIV/AIDS, low level of education, the increase number of sex workers, amphetamine use on the rise, all of these factors may lead the country for the possible for HIV epidemic.

According to our sentinel surveillance the HIV prevalence rate has increased from 0.9 percent in 2001 to 2.02 percent in 2004. Nevertheless STI prevalence remained high in spite of our effort to scale up STI services. People Living with HIV/AIDS more disclose themselves, so are a high demand for ARV treatment.

In conclusion there is a huge need for resources to combat HIV/AIDS in Lao PDR. Resource mobilization has is big for the government and international communities to do together. Political commitment including financial support has to be strengthened.

For the next five years, to achieve the universal access, prevention, treatment care and support have to be balanced. Additional investments in treatment, Care and support for people living with HIV/AIDS are needed as we have to scale up the treatment.

Chapter 1. Country background

Lao PDR is located in South-East Asia. It is a land linked country, two thirds of which is mountainous, sharing borders with China in the North, Myanmar in the North-West, Vietnam in the East, Thailand in the West and Cambodia in the South.

The Lao PDR became a member of the ASEAN communities in 1997. As a consequence, the country has become more open to the outside World. Infrastructure development, particularly road and dam construction, is a central component of the Government's strategy for poverty reduction. Strong infrastructure is a prerequisite for further macroeconomic development and an essential factor in ensuring that the benefits of growth and development are shared equitably between urban and rural areas. In consequence, increased mobility in the country can be a factor for HIV vulnerability.

HIV/AIDS and STI situation

A first case of HIV positive person reported early 1990 and the first AIDS patient was found in 1992. Up to June 2005, there are totally 1,636 cumulative number of HIV infected people found in 117,531 blood samples tested in 15 out of 18 provinces, out of HIV positive 363 people are still living with AIDS and 583 people have already died.

The major mode of transmission of HIV infection in Lao PDR is through heterosexual intercourse 83 percent. Needle-sharing injection drug users are very rare in Lao PDR compared with Thailand, China, Myanmar and Vietnam, although glue sniffing and amphetamine use appears to be seen on the rise.

The first round of the second generation surveillance conducted in 2001 and second round in 2004 by the Center for HIV/AIDS/STI and partners has indicated an HIV seroprevalence of 0.9 % in 2001 and 2.02% in 2004 among service women but has contrarily shown a high rate of STI infection of 13.9 % for gonorrhea and 32.0 % for Chlamydia in 2001 and 18.3 % for gonorrhea and 38.0 % for Chlamydia in 2004.

The country may be at possible risk for HIV epidemic.

Table 1. Country profile

Demographic in 2005	
• Area:	236,800 sq.km.
• Density:	24 persons/km square
• Population:	5,609,997 in 2005
• Provinces:	17 provinces and one Capital: Vientiane
• Districts:	141
• Villages:	10,553
• Households:	959,595
• Proportion of rural population:	87.8%
Human Development	
• 2004 HDI:	0.87 (MoH 2004)
Education profile	
• Adult literacy:	75,4%
• Total government expenditure:	7.9%
Economic	
• Per capital income (GNP)	\$ 450 in 2005
• People living under poverty line:	39.1%
Health profile	
• Birth attended by skill health staff:	40%
• Birth rate (per 1000):	34.0 in 2002
• Death rate (per 1000):	6.3 in 2002
• Infant Mortality (per 1000):	60 in 2005
• Maternal Mortality rate (per 10000):	350
• Life Expectancy at birth:	63 in 2005
• Population growth rate	2.0 in 2005
• Total Fertility Rate	4.9

ource: UNDP 2005 Human Development Indicators

Chapter 2. Objective and Methodology

Objective

To assess actual expenditures on HIV/AIDS from all sources of finance, including government and external sources during a five years period from 2000 to 2004 by spending profile, according to country specific needs, informing to National Committee for the Control of AIDS on the magnitude and profile of HIV/AIDS expenditures and for routine monitoring of HIV/AIDS expenditures with all organizations in Lao PDR.

Methodology and Limitation

Two representatives from Lao PDR have attended a workshop on National AIDS Spending Assessment (NASA) on 7-9 October 2005 in Bangkok organized by International Health Policy Programme, Thailand. After the NASA workshop the center for HIV/AIDS and STI has developed a plan for data collection and recruited a local consultant to provide technical assistance in preparing a report, with the following procedures such as organize a consultative meeting with 45 key informants from governments, NGOs at center for HIV/AIDS/STI on 13 October 2005 chaired by Dr. Chansy Phimphachanh, Director of CHAS. The meeting was co-facilitate by UCC. During the meeting, UNAIDS and CHAS presented the objective of meeting, explained how to fill the NASA form and show the road map of the NASA. CHAS and UNAIDS have expressed the important of the contribution of the all partners for completing the form (Dummy table 1 and Table 2) and send it back to CHAS by 28 October 2005.

While waiting for the form to come back, the CHAS visited three provinces for confirming of expenditure spending by the provinces. The provinces visited were Louanprabang, Savannakhet and Champasack. The CHAS also followed up some institutions for further explanation.

The Expenditures documents collected from all concerned organizations in Lao PDR were reviewed, verified and finalized. Total national expenditure was directed retrieval of data from all agencies.

On 28-30 November 2005 the IHPP team from Thailand visited CHAS in Vientiane Capital to assist CHAS on NASA namely: Ms. Waranya Teokul, Ms. Jongkol Lertiendumrong and Mr. Harin Chokchaichan.

Consensus meeting was held on 26 December 2005 to discuss the finding with all related partners. The CHAS finalized the draft report and submitted the final draft report to Ministry of Health for endorsement.

There were some limitations such as one person came for consultative meeting but another person filled the form, so it should be some bias. The time was limited.

Chapter 3. Results of National AIDS Spending Assessment

The results of the NASA showed that the estimated number of PLWA has increased every year from 2,087 peoples in 2000 to 9,143 peoples in 2004. The total HIV/AIDS expenditures in Lao PDR from 2000 to 2004 are 14.85 Million US\$. THE spending in 2000 was 43 million US\$, and it increased steadily to 70 million US\$ in 2004. HIV/AIDS expenditure per capita of PLWA was equivalence to 4,939 US\$ in 2000 and 2,495 US\$ in 2004 comparing with per capita for general population in 2000 is 0.41 US\$ and 0.91 US\$ in year 2004 (See Table 2)

Table 2. The National AIDS Expenditures, year 2000 to 2004

Essential Indicators	Years				
	2000	2001	2002	2003	2004
Total population	5,218,000	5,292,000	5,366,000	5,440,000	5,514,000
Number of new HIV/AIDS	162	192	187	170	258
Estimated Number of PLWA	2,087	3,226	5,526	7,193	9,143
Nominal GDP at current price (Million Kip)	13,669,485	15,701,809	18,400,978	22,511,416	26,590,131
Nominal GDP at current price (Million US\$)	1,742	1,770	1,704	2,084	2,532
Nominal GDP at current price (Million PPP\$)	8,371	9,066	9,767	10,507	11,568
Total Health Exp (Million kip\$)	340,642	413,308	575,098	655,984	734,818
Total Health Exp (Million US\$)	43	47	53	61	70
Total Health Exp (Million PPP\$)	209	239	305	306	320
HIV/AIDS expenditure					
• total amount (million Kip)	16,832	18,296	23,174	37,877	52,441
• total amount (US\$)	2,145,054	2,062,633	2,145,786	3,507,139	4,994,367
• total amount (million PPP\$)	10.31	10.56	12.30	17.68	22.81
• per capita general pop (kip)	3,226	3,457	4,319	6,963	9,510
• per capita general pop (US\$)	0.41	0.39	0.40	0.64	0.91
• per capita general pop (PPP\$)	1.98	2.00	2.29	3.25	4.14
• per capita PLWA (kip)	8,065,280	5,671,282	4,193,719	5,265,828	5,735,629
• per capita PLWA (US\$)	1,028	639	388	488	546
• per capita PLWA (PPP\$)	4,939	3,274	2,226	2,458	2,495
• as % GDP	0.12%	0.12%	0.13%	0.17%	0.20%
• as % Total health expenditure	4.94%	4.43%	4.03%	5.77%	7.14%
Exchange rate (Kip per US\$)	7,847	8,870	10,800	10,800	10,500
Exchange rate (Kip per PPP\$)	1,633	1,732	1,884	2,143	2,299
Profile of AIDS expenditures:					
by financing source					
• % public source	1.2%	1.2%	1.2%	0.7%	0.5%
• % non-public source	0.0%	0.0%	0.0%	0.0%	0.0%
• % external sources	98.8%	98.8%	98.8%	99.3%	99.5%
By financing agent					
• % public agent	31.1%	19.4%	24.2%	26.1%	31.1%
• % non-public agent	0.0%	0.0%	0.0%	0.0%	0.0%
• % external agent	68.9%	80.6%	75.8%	73.9%	68.9%
by functions					
• % prevention-related activities	55.0%	56.1%	50.5%	53.0%	60.5%
• % treatment and care components	1.0%	3.3%	4.9%	6.9%	5.1%
• % orphan and OVC	0.1%	0.4%	0.5%	0.4%	0.4%
• % AIDS programme costs	41.0%	36.0%	40.0%	36.3%	30.3%
• human resources receiving wage benefit	3.0%	4.2%	4.1%	3.4%	3.7%

The major source of National AIDS Expenditures

The financing Sources of national AIDS spending was extremely depending on external assistants 98.83-99.83% while the government contribute only 25000 US\$ (2%) per year (in kind).

Table 3. National AIDS Spending by Financial sources 2000-2004

Year	Lao Government	ROW	Total	% of ROW
2000	US\$ 25,000	US\$ 2,120,054	US\$ 2,145,054	98.83%
2001	US\$ 25,000	US\$ 2,037,633	US\$ 2,062,633	98.79%
2002	US\$ 25,000	US\$ 2,120,786	US\$ 2,145,786	98.83%
2003	US\$ 25,000	US\$ 3,452,139	US\$ 3,507,139	99.28%
2004	US\$ 25,000	US\$ 4,969,365	US\$ 4,994,367	99.48%
Total	US\$ 125,000	US\$ 14,729,979	US\$ 14,854,979	99.83%

Financing Agencies

Financing Agent of the National Public AIDS Spending for the year 2000 was 32.6 percent and 33.2 percent in year 2004 (MoH, CHAS, MoE, ARC/LRC, NBCT). (see table 4)

Table 4. National AIDS Spending by Agency 2000-2004

Organizations	Years					Total
	2000	2001	2002	2003	2004	
MoH(CHAS)	504,845	261845	364069	670895	1274927	3,076,581
MoE	0	0	0	40,000	8,700	48,7000
ARC/LRC	241,711	314458	235876	361204	562342.6	1,715,592
BI	0	87341.25	126,258	96,350	128,692	438,642
CARE	187,406	79648	133,115	132,543	174,515	707,227
FHI	261,985	436,642	174,657	466,000	529,000	1,868,284
MSF	0	124,940	207,969	414,675	515,728	1,263,312
NBTC	161,236	139,130	156,074	233,412	213,634	903,486
NCA	45,900	57500	92000	94500	97000	386,900
PSI	100,000	100,000	100,000	283,794	754,542	1,138,336
Trust	641,971	461129	271027	100470	126305	1,600,902
World Vision	0	0	0	0	5,387	5,387
UNICEF	0	0	279740.676	603295	562,723	1,445,759
UNODC	0	0	5,000	10,000	40,870	55,870
Total	2,145,054	2,062,633	2,145,786	3,507,139	4,994,367	1,4854,979

Expenditure by function

The AIDS expenditure on prevention related activities has been fluctuated year by year. AIDS programme cost has not changed from 2000 to 2002, but there is a big increase from 2003 to 2004.

Figure one reported that the main AIDS spending was prevention related activities following by AIDS programme costs. Treatment, Wage and spending on Orphan Vulnerable are relatively small.

Figure 1 : Distribution of National AIDS Spending by function and by year

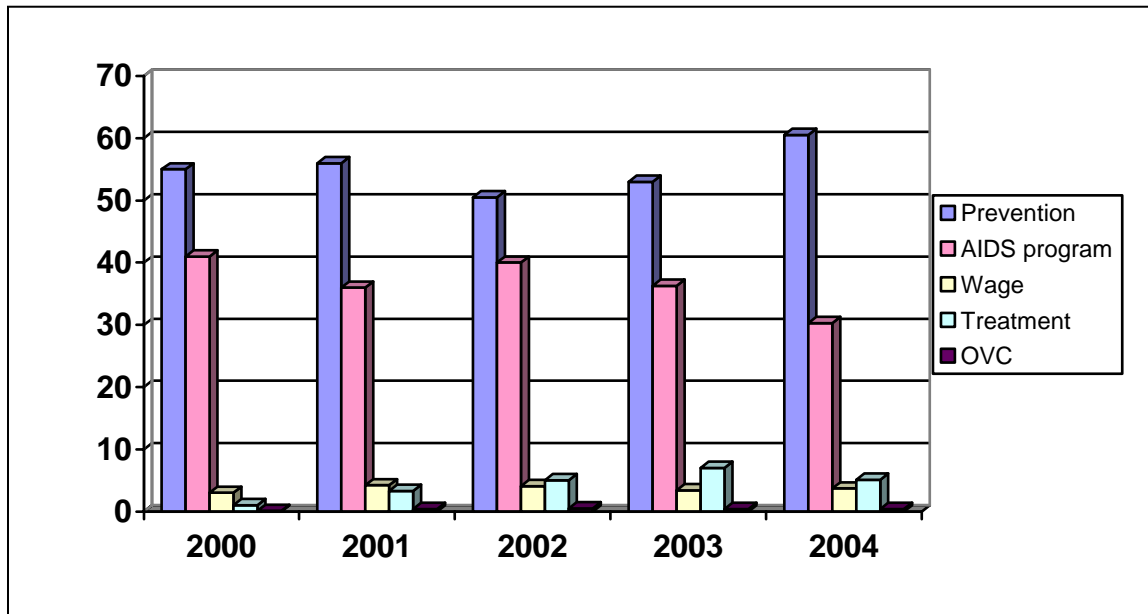


Figure 1 demonstrated that prevention expenditure has been increased from 2000 to 2001 and it continued to drop dramatically in year 2002, and it increased in the year 2004.

An AIDS Program cost has been frustrated from 2000 to 2004.

Treatment and Care has increased from 2000 to 2004.

Other component like OVC and human resource receiving wage benefit is small amount of HIV/AIDS expenditures.

Chapter 4. Recommendations

Based on the National AIDS Spending Assessment there are some recommendations as the following:

- The National HIV/AIDS Spending Assessment should be done yearly at national level,
- Efforts should be set up at provincial level
- All stakeholders including public, private and international communities should report all expenditure in accountable and transparent manner to National AIDS programme.
- Technical support is needed, and it can be provided through relevant international agencies such as the WHO, UNAIDS, UNDP and others.
- Regional support on National AIDS Spending Assessment can be one of an entry point to stimulate such exercises
- More investments should be on treatment, Care and support for people living with HIV/AIDS and orphan and vulnerable children (OVC).
- Programme management cost should be reduced.
- More financial contribution from the government for operational costs are needed.
- More involvement of private sectors should be encouraged, including financial contribution

Acknowledgement

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