

Rapid Assessment of Impact of Discontinuation of RCC Grant beyond 2012 in China

prepared by UNAIDS-China,
5 December 2011

The GF Board decision (GF/B25/DP16)

Annex 1: Financial Measures (GF/B25/DP16) – selected sections

1. Effective 1 January 2012, a revised application and approval process for renewals will be employed to ensure strategic investments, as described in “Options for Modification of the Application, Renewal and Approval Processes for New and Existing Investments,” (GF/B25/8).
2. Effective 1 January 2012, the following eligibility criteria for renewals applications will become effective:
 - a. Group of 20 (G-20) upper middle income countries with less than an extreme disease burden will no longer be eligible for renewals of grants;
3. Transitional measures as described in GF/B25/8 will be made available to countries impacted by the above changes to eligibility.

Annex 2: Transitional Funding Mechanism

Scope

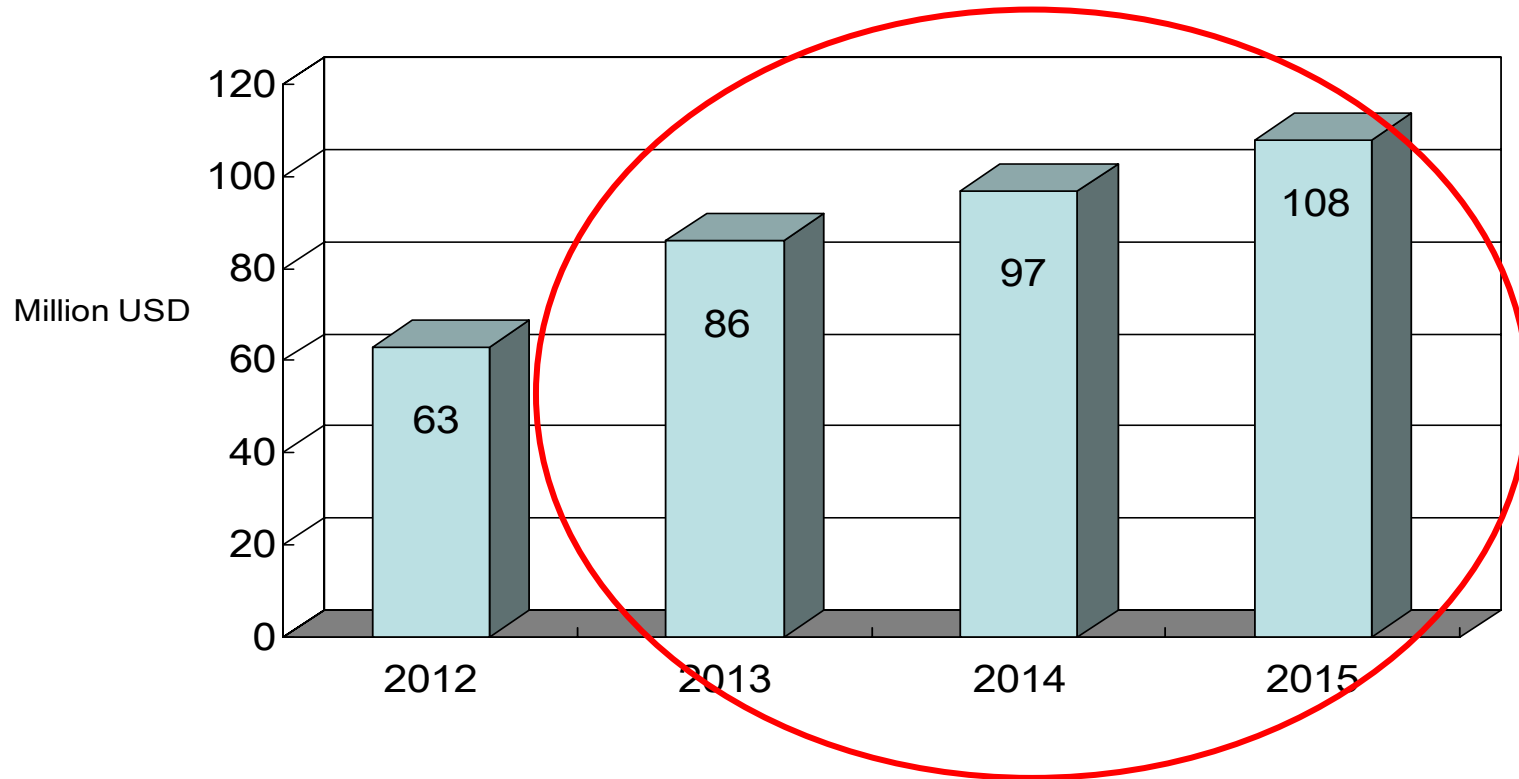
1. Grantees may apply for up to two years of funding for contribution of essential prevention, treatment and/or care programs currently financed by the Global Fund that will otherwise face disruption between 1 January 2012 and 31 March 2014.

Consequences

- China RCC becomes ineligible for GF support from November 2012, time of phase 2 renewal.
- China is eligible for up to 2 years transitional funding. Applications due by 31 March 2012.

What's the cost of the GF Board decision? US\$291 million over 2013 – 2015

GF Support 2012 -2015



According to the GF proposal, a total of US\$291 million (upper ceiling) was to be funded by TGF from 2013-2015

Purpose of the Analysis

- To understand the impact of termination of GF in China
- To identify the most vulnerable areas of budget and programme
- To identify key actions required to manage GF withdrawal and assure sustainability of the national AIDS strategy.

Structure of China Integrated Program

Objective 1 Enabling environment and community development

- 1.1 Leadership and governance
- 1.2 Creation of a supportive environment and enhancement of policy implementation
- 1.3 Development of national and local HIV/AIDS strategies and action plans
- 1.4 Participation capacity building of civil society in HIV/AIDS response
- 1.5 Stigma reduction for PLHIV and other vulnerable populations
- 1.6 Development and implementation of HIV/AIDS policies for migrants
- 1.7 Leadership development of workplace HIV/AIDS response for migrants

Objective 2: Prevention

- 2.1 Public awareness of HIV through the media
- 2.2 Outreach and peer education for high-risk populations and migrants
- 2.3 Condom promotion & distribution
- 2.4 HIV testing and counseling
- 2.5 STI services provision
- 2.6 MMT services provision
- 2.7 PMTCT

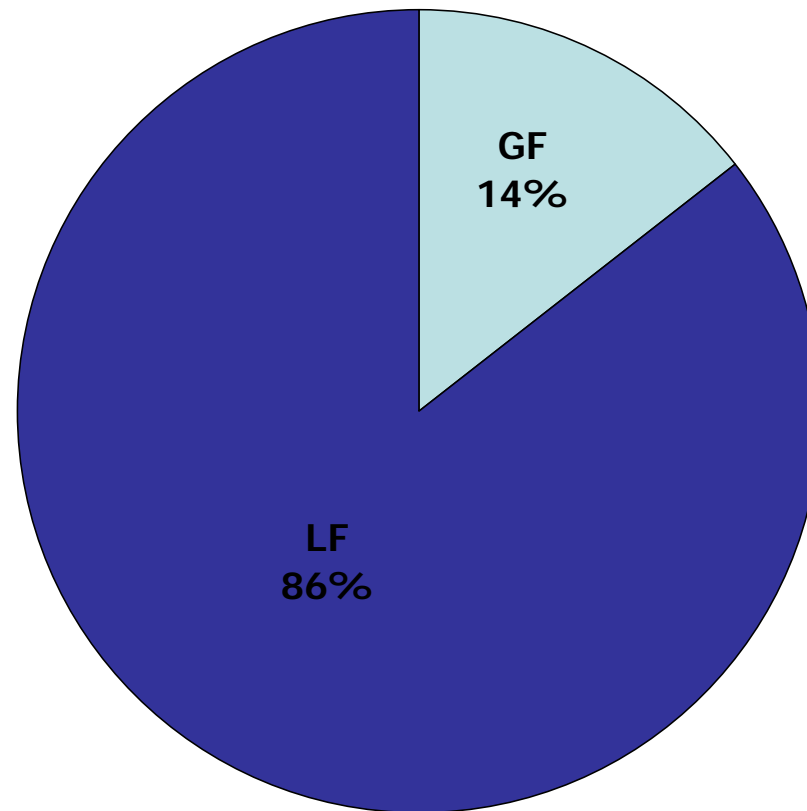
Objective 3 Treatment & Care

- 3.1 ART
- 3.2 Care and support for PLHIV
- 3.3 Prophylaxis and treatment for OI
- 3.4 Prevention of TB/HIV co-infection

Objective 4 Program management & admin

- 4.1 Monitoring and evaluation
- 4.2 HIV surveillance & testing
- 4.3 HIV/AIDS strategic information
- 4.4 Program management

Funding of China National AIDS Response, 2012



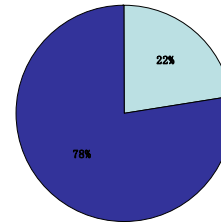
In 2012, \$436 million

- 14% (\$63m) GF

- 86% (\$373m) China

Budget Allocation, 2012, by Objective and Funding Source

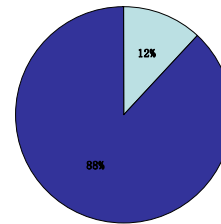
Objective 1 Enabling environment
and community development



Total Amount

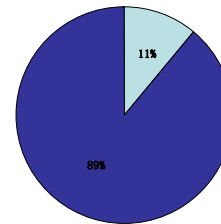
\$27,573,756

Objective 2: Prevention



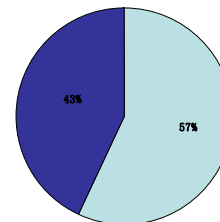
\$216,612,023

Objective 3 Treatment and
care



\$162,613,718

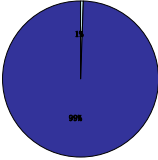
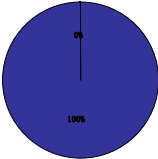
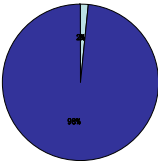
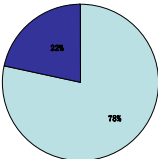
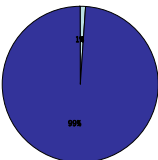
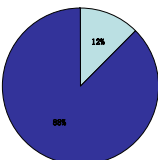
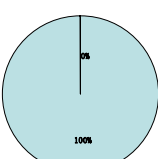
Objective 4 Program management
and administration



\$29,527,048

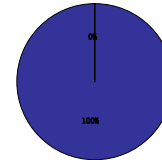
Total: \$ 436 million

Budget Allocation for Objective 1, by SDA and Funding Source

1.1 Leadership and governance		\$7,691,108
1.2 Creation of a supportive environment and enhancement of policy implementation		\$7,463,417
1.3 Development of national and local HIV/AIDS strategies and action plans		\$2,423,540
1.4 Participation capacity building of civil society in HIV/AIDS response		\$7,207,029
1.5 Stigma reduction for PLHIV and other vulnerable populations		\$2,220,746
1.6 Development and implementation of HIV/AIDS policies for migrants		\$546,096
1.7 Leadership development of workplace HIV/AIDS response for migrants		\$21,817

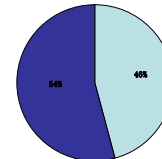
Budget Allocation for Objective 2, by SDA and Funding Source

2.1 Increase the public awareness of HIV/AIDS through the media



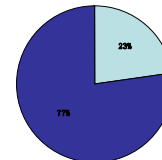
\$4,150,035

2.2 Outreach and peer education for high-risk populations and migrants



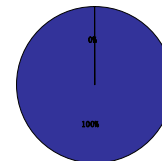
\$54,106,829

2.3 Condom promotion and distribution



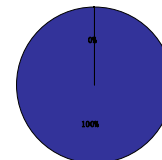
\$3,796,062

2.4 HIV testing and counselling



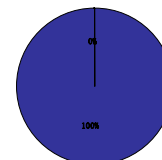
\$12,050,954

2.5 Provision of standardized STI services



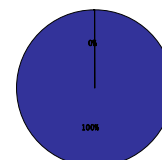
\$3,344,319

2.6 Provide MMT services



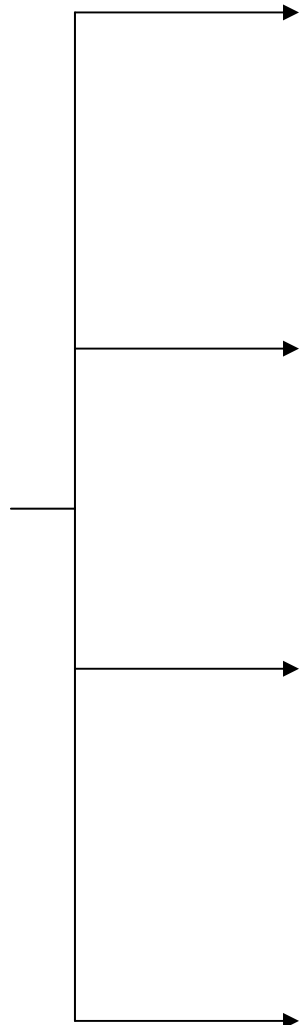
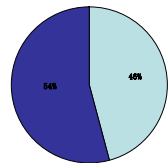
\$12,389,268

2.7 PMTCT

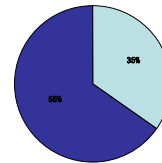


\$126,242,344

2.2 Outreach and peer education for high-risk populations and migrants

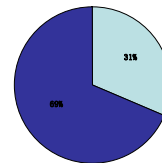


2.3 sex workers



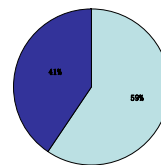
\$21,217,066

2.4 IDU



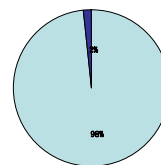
\$11,850,978

2.5 MSM



\$13,670,031

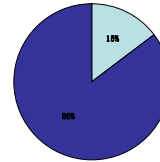
2.6 Migrants



\$5,675,287

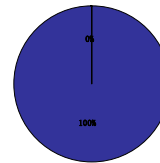
Budget Allocation for Objective 3, by SDA and Funding Source

3.1 ART



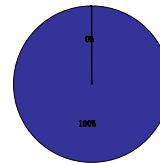
\$120,986,495

3.2 Care and support for PLHIV



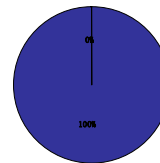
\$9,195,433

3.3 Prophylaxis and treatment for OI



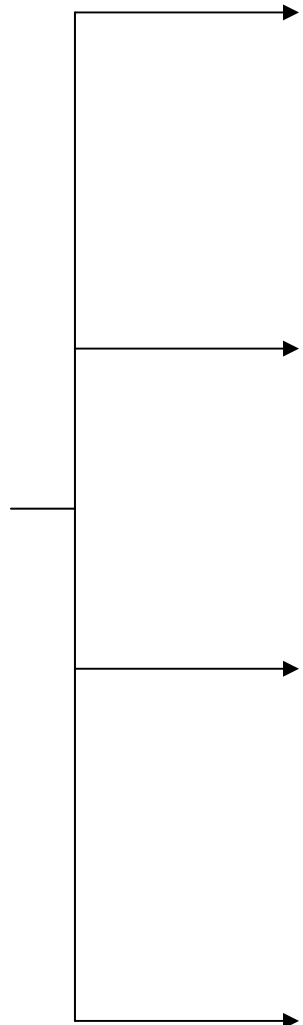
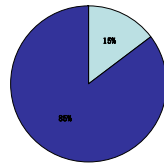
\$31,275,263

3.4 Prevention of TB/HIV co-infection

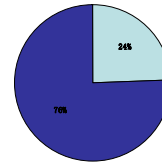


\$1,156,525

3.1 ART

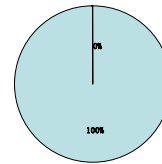


2nd line drugs



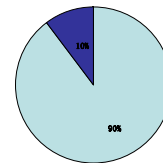
\$38,904,193

Pediatric drugs



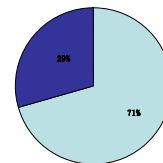
\$1,179,780

ART adherence support



\$5,175,035

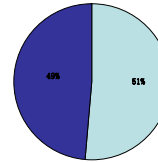
Drug resistance surveillance



\$1,901,572

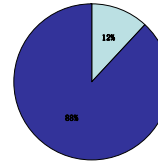
Budget Allocation for Objective 4, by SDA and Funding Source

4.1 Monitoring and evaluation



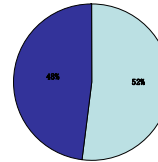
\$4,407,663

4.2 HIV surveillance and testing



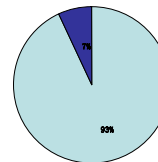
\$10,654,368

4.3 HIV/AIDS strategic information



\$457,147

4.4 Program management



\$14,007,868

Criteria guiding prioritisation

1. Highly dependent: > 50% funded by GF
2. High impact intervention affected.
3. Large budget implications: > \$500k p.a.

Priority areas for funding and transition management

Area	Level of impact	Concerned amount of TGF funds in 2012
Drug resistance surveillance	♣♣♣	\$1,300,000
Monitoring and evaluation	♣♣♣	\$2,300,000
Outreach and peer education for migrants	♣♣♣	\$5,600,000
Program management	♣♣♣	\$13,000,000
Outreach and peer education for IDU	♣♣♣♣♣	\$3,700,000
Outreach and peer education for SW	♣♣♣♣♣	\$7,300,000
Outreach and peer education for MSM	♣♣♣♣♣	\$8,100,000
2nd line drugs	♣♣♣♣♣	\$9,500,000
Pediatric drugs	♣♣♣♣♣	\$1,200,000
ART adherence support	♣♣♣♣♣	\$4,600,000
Capacity building for civil society	♣♣♣♣♣	\$5,600,000
Total		\$62,200,000

Highest funding priorities or concerns

- Highest priority (5 star interventions)= \$40 million in 2012
 - Service delivery: \$23.7 million
 - Drugs: \$10.7 million
 - Capacity building for CBO: \$5.6 million
- These interventions include:
 - Outreach & peer education for 1,300,000 sex workers
 - Outreach & peer education for 500,000 IDUs
 - Outreach & peer education for 600,000 MSM
 - ART adherence support for 100,000 PLHIV on ART
 - 2nd line drugs for 8,500 PLHIV
 - ARV drugs for 3,000 children living with HIV

Highest funding priorities or concerns

- CBO outreach will be highly impacted:
 - 95% funds for CBO activities come from TGF (\$13m in 2012)
 - CBO peer outreach linked to:
 - 60,000 sex workers
 - 40,000 IDU
 - 250,000 MSM
 - 93,000 PLHIV on treatment.

Conclusions & Recommendations

1. Termination of GF support for China AIDS response has significant implications for implementation and sustainability of national AIDS response:
 - Loss of \$291 million over 2013-15 period.
 - Potential loss/erosion of progress and gains from GF support since 2003 if transition is rushed, or not adequately planned and managed.
 - Limited time of 1 year to manage transition and sustainability.

Conclusions and Recommendations

2. Govt needs to mobilise at least \$173 million over 2013-15 period to sustain “5 star - high impact, high priority interventions” previously funded by GF: i.e. \$50m in 2013, \$58m in 2014 and \$65m in 2015.
3. Special attention is required in 2 key areas:
 - a. Drug supply. Ensuring uninterrupted drug supply for paediatric and 2nd line treatments: i.e. ensuring required drugs are registered by SFDA (MoH); and development of a procurement plan for importation of paediatric drugs and 2nd line ART.
 - b. CBO support mechanisms and budgets are in place to fund and provide capacity building support to CBOs. Recommend “no cost extension” (i.e. till end 2014) of 25% CS budget to enable full implementation of civil society support component of RCC.

Conclusions and Recommendations

4. PR to develop a transition plan to manage GF's withdrawal from China and to ensure no disruption of HIV treatment, MARP prevention interventions, or supports for PLHIV for period 2013-2015. This plan should address:
 - a. Financial sustainability – identifying current RCC budget components to be included within national budget for 2012 and beyond.
 - b. Programmatic sustainability – identifying key programmatic elements supported and managed by the RCCO which need to be transitioned to national management structures: e.g drug procurement, civil society support.
 - c. Governance sustainability – identify which governance, partnership management, planning and coordination mechanisms and institutions developed under the GF should be maintained and carried forward