



**The Global Economic Crisis
and HIV Prevention and Treatment Programmes:
Vulnerabilities and Impact**

Executive Summary

BURKINA FASO

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The global current economic slowdown has deepened causing many developed countries to enter into a recession. Particularly, this crisis has a negative effect in different domains of African economies. Overall, in Burkina Faso the global financial crisis has induced inflation. Inflation rose sharply due to the steep rise in consumer prices, especially food costs, during the first half of 2008. This occurred in spite of the Government's decision to suspend customs duties and taxes on staple products. Indeed, the inflation rate, near zero in 2007 (-0.3 per cent), rose to 10.3 per cent in 2008. Inflation is expected to drop from 5.4 per cent in 2009 to 3.5 per cent in 2010. The estimated negative effects of the crisis had been anticipated and taken into account for establishing the country 2009 Finances Act. However, the impact of the crisis is still affecting all economic sectors. The balance of payments deteriorated significantly due to the drop in agricultural production and cotton exports.

In terms of services financing, it should be noted that Burkina Faso programme to fight against HIV and AIDS is based on a strategic framework and coordinated by SP/CNLS-IST. For this purpose, two consecutive programmes have been undertaken. The first one took place during the period from 2001 to 2005. The ongoing strategic framework for fighting against HIV/AIDS began in 2006 and will end by 2010. The financial support for HIV and AIDS programmes in Burkina Faso is made by contributions from both national and international levels.

At national level, the main source of funding comes from the Government. Additional funds are provided by private companies, domestic associations and Non Governmental Organisations.

The most important contribution comes from the international cooperation and bilateral partners (external funding is estimated at 80 per cent). For example, the ongoing programme is supported by a common financing protocol between Burkina Faso and a group of international institutions composed by the World Bank, UNDP and UNAIDS. In addition, a bilateral agreement has been concluded between Burkina Faso and the Netherlands for 2009-2010.

In general, at international level, the Burkina Faso HIV and AIDS programmes are supported by the World Bank, the African Development Bank, the Global Fund, the bilateral partners (Denmark, Belgium, Austria, Canada, France) and the United Nations system (UNDP, UNICEF, UNFPA, WHO and UNAIDS).

Despite the unfavorable economic climate, Burkina Faso authorities went ahead with priority expenditures to further the Millennium Development Goals (MDG), focusing on poverty reduction expenditure, focussing on education and health. However, the continuing deterioration of the global economy, coupled with the possible resurgence of social demands, could weaken the public finances in 2009 and 2010, as well as deepen the deficit and delay the achievement of the objectives set in the current Strategic framework.

Globally, there is no trouble with the financing of prevention programme in accordance with the convention of 2009. However, for the twelve coming months, the global crisis could affect the available funds because of inflation. Activities related to prevention programme are financed by partners through the canal of Community and associations support program

(PAMAC), the AIDS common Funds and international NGOs. They are reducing their contributions and it is important to plan a new strategy for the prevention programme financing, in particular for the most vulnerable population.

In terms of treatment, the number of AIDS patients under ARV is increasing. The estimated number was 17,263 in December 2007, then 21,103 in December 2008 and 23,731 in June 2009. Indeed, since April 2008 the Government decided to reduce the cost of treatment from US\$ 11 to US\$ 3 per month; but the main problem is that all AIDS patients are not contributing. On the other hand, loss of income and increased poverty are undermining people's access to adequate nutrition and some patients may discontinue their antiretroviral medication. Finally, in case of non financing of the Round 9 of Global Fund, no expected budget will be allocated to ARV treatment programme after 2011.

Some drug stock-outs have occurred in some clinics and hospitals because the expressed needs in terms of ARV and products for HIV detection had not been totally covered by donors. A national security plan had been implemented and adopted in order to prevent or to alleviate the problem in the future.

In order to support the health sector and mitigate the effects of the global financial crisis on HIV and AIDS programmes, some initiatives have been undertaken. In general, the government's policy measures to limit or negate the slowdown of economic activity are to ensure macroeconomic stability by controlling inflation. This is the top priority of Burkina Faso's monetary policy, which is managed by the Central Bank of West African States, as the local currency is linked to the euro at a fixed parity. Also, it has been proposed that donors and suppliers of technical support discuss a common approach for assessing the impact of the crisis on HIV and AIDS by making available (achieving) an action plan for the coming period 2011-2015, including possible introduction of generic drugs to reduce costs.

In summary, the economic crisis in Burkina Faso has caused inflation. It is anticipated to measure an evidence impact of the crisis on HIV and AIDS programmes and services. But there is a cut (reductions) in HIV prevention programmes financing. In addition the crisis increased unemployment and loss of income.

Main actions and recommendations to confront the financial crisis and reduce the impact on the HIV programmes in Burkina Faso could be:

- Improve resource estimation process, develop financing alternatives, anticipate mobilization with prior activities to the expiration of agreement and financing protocol and strengthen the implementation of mobilized resources for HIV and AIDS activities;
- Develop target prevention strategies to maintain the reduction of prevalence and avoid a recrudescence of stigmatization and discrimination of PLHIV;
- Raise the sensibilization of government, technical and financial partners via results achieved, effective use of development assistance and good management of AIDS resources.