

# GOVERNANCE OF HIV/AIDS RESPONSES

## Issues and Outlook



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## FOREWORD

Since the advent of AIDS 25 years ago the disease has evolved from primarily a public health concern into a major development challenge of crisis proportions. Today we are at a crossroads: every day almost 12,000 new infections occur worldwide, every hour nearly 500 new infections. Nearly 40 million people are currently living with HIV and about 25 million of people have died of AIDS-related illnesses. We have effective prevention and treatment technologies but the toll continues to rise especially for the poorest. We have learnt that AIDS unequivocally exacerbates existing development challenges, cause a decline of social systems and threaten governance in many countries. We have also learnt that strong leadership, openness and commitment—together with broad participation in decision-making—can improve the effectiveness of the AIDS response.

In his last message for World AIDS Day (WAD), Secretary General Kofi Annan stressed that the challenge now is to deliver on all the promises that have been made—including the Millennium Development Goals (MDGs), agreed upon by all world governments, of halting and beginning to reverse the spread of HIV by 2015. The theme of WAD—“accountability”—applies not only to those who hold leadership positions but to all. Accountability also requires the achievement of global and national governance.

Further, it is becoming clear that effective governance is now a key and decisive factor in the outcome of efforts to respond to the AIDS epidemic at both global and national levels. It is therefore important to understand the relationship between governance and AIDS response: how does AIDS affect governance or capacity to govern, and what type of governance structures and mechanisms are needed for an effective AIDS response? Recognizing the vital importance of effective governance, the UN General Assembly Special Session on HIV/AIDS in June 2006 concluded that sound governance is essential for an effective response to AIDS, and that governance issues are critical to global, regional and national efforts to address the AIDS epidemic due to the large number of stakeholders.

As a co-sponsor of UNAIDS and the lead agency within the UN system for coordinating development and related MDG activities, UNDP has initiated action for improving governance in support of effective national responses to HIV/AIDS. *Governance of HIV/AIDS Responses: Issues and Outlook*, a paper issued by the Bureau for Development Policy (BDP), UNDP, offers a rare opportunity to explore critical elements of governance as related to AIDS responses and provides strategic options and recommendations on the role of the UN system in addressing governance and AIDS.

It is my sincere hope that this timely document will lead those who govern and are governed to approach the myriad challenges in implementing AIDS strategies with renewed insight and energy and to truly undertake the steps that consolidate improved governance for AIDS responses.



**Shoji Nishimoto**

Assistant Administrator and Director, Bureau for Development Policy, UNDP

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# I

## INTRODUCTION: THE IMPORTANCE OF GOVERNANCE IN AIDS RESPONSES

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Issues of governance are critical to global, regional and national efforts to address the AIDS epidemic. This is due in part to the large number of stakeholders and cash flows involved. It is also a reflection of the intrinsic link between institutional capacities, broad-based participation and accountability, on the one hand, and evidence of progress in responding to AIDS on the other. How society is organized for governance in terms of the “pact” or relationship between those who govern and those whom they govern is now a key factor in the outcomes of the AIDS response. After more than 25 years of addressing AIDS, there is now a growing body of evidence from national experiences, as well as consensus in global public policy circles, that *effective* governance is essential for an *effective* response to AIDS.

This issues paper builds on such evidence and capitalizes on previous discussions that have primarily focused on the impact of AIDS on development, and its implications for governance. The paper continues to explore the close linkages between AIDS, development and governance, but above all identifies a number of critical governance requirements for an effective AIDS response. Recognizing the limitations posed by definitions, we nonetheless approach the *governance* of the AIDS responses from the perspective of the conditions that are necessary for ensuring an effective and harmonized national response to AIDS and developing and strengthening partnerships between key stakeholders, especially government and civil society.

The linear relationship between governance and AIDS is most evident from the conclusions of the latest UN General Assembly Special Session on HIV/AIDS (UNGASS), which took place in New York in early June 2006. Delegates reviewed progress in the global and national responses since UNGASS 2001, when over 150 world leaders committed their governments to intensify and scale up action against the epidemic. The official UNAIDS report prepared for the June 2006 session and statements made at that session clearly indicated unacceptably slow progress in the implementation of the goals outlined in the “UNGASS Declaration of Commitment on HIV/AIDS.” Further, it was observed that limited progress by many governments in implementing the commitments that they made in 2001 was not essentially due to a lack of awareness of the gravity of AIDS and its impact on society, or even a lack of political will or financial resources in some cases. Rather, it resulted from a failure to put in place and/or use appropriate governance structures and mechanisms to contain and reverse the spread of the epidemic and to mitigate its impact.

Since the advent of AIDS about 25 years ago, the disease has evolved from a public health concern into a major development problem of crisis proportions. Yet many governments are still treating AIDS as simply a public health issue rather than a broader development challenge. Consequently, little attention is paid to governance issues in AIDS responses, such as ensuring the rights of the individuals affected by HIV are balanced with the need for population-wide intervention. This challenge illustrates the importance of governance in the context of AIDS responses, as it affects the way a government manages the response in its relationship with the population, and can have a

significant impact on the outcomes of national, regional and global efforts to respond to AIDS. For example, at the national level, having laws that guarantee access to antiretroviral therapy (ART) matters little if there are no facilities nearby that provide the service. Such laws matter even less when most people living with HIV are allowed to die, while life-saving preventive interventions and drugs are kept out of their reach because of weaknesses in the existing system of global governance pertaining to international trade in pharmaceuticals.

Research into the impact of AIDS on society has yielded valuable insights into the linkages between the epidemic and other development challenges such as poverty, gender inequality and social exclusion.<sup>1</sup> This underlines the multi-sectoral nature of the relationship between good governance and effective AIDS responses. Various studies have yielded compelling evidence that AIDS can actually exacerbate existing development challenges, ranging from the “deterioration of public services and governance to humanitarian emergencies such as food insecurity and conflict,” and is further compounded by the multiplicity and complexity of inter-linked development problems.<sup>2</sup> At the same time there is also ample evidence that proper and adequate governance institutions and structures and broad-based participation in the development process can improve the effectiveness of AIDS responses. Sound governance at all levels is essential to the achievement of human development, security and the protection of human rights.

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1. Mann et al. (1994)

2. de Waal & Whiteside (2003)

# II

## OVERVIEW OF GOVERNANCE AND AIDS RESPONSES AT VARIOUS LEVELS

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What are the Critical Elements for Effective Governance of AIDS Response?

### 2.1 National Level

From the perspective of effective AIDS responses at the *national* level, critical elements of effective governance are linked to a number of requirements, some of which are quite obvious and others which are not, including: (a) political leadership and commitment; (b) adequate capacities of relevant state institutions; (c) adequate domestic spending on HIV prevention, treatment and care in the context of the national budget (such as the commitment made by African countries at the Abuja AIDS Summit in 2001 to spend at least 15% of their total budget on health, including AIDS, which they failed to do); (d) efficient delivery of primary healthcare and other basic social services; (e) decentralization of authority, decision-making and resources to the local level; (f) genuine involvement of civil society in budget formulation, monitoring and tracking of public expenditure on AIDS, to ensure transparency and accountability; (g) involvement of the private sector as a partner in responding to AIDS; respect for human rights and promotion of gender equality; and (h) the incorporation of AIDS concerns into broad social and economic policies as development priorities, including linking AIDS action to poverty reduction. These requirements need to be supported by an enabling environment, which necessitates a clearly defined National AIDS Strategy: a legal and policy framework that provides guidelines for implementation, identifies specific roles and responsibilities of key actors, fosters active participation of the broad spectrum of stakeholders at all levels, and facilitates the effective coordination of development efforts involving the state, civil society, and the private sector.

### 2.2 Regional Level

At the *regional* level, there is a need for improved integration and better harmonization of AIDS strategies, policies and action programmes, including those pertaining to human resources for health and related services. Not only can this be cost-effective and enhance accountability from a governance perspective, but it can also facilitate the “right type” of AIDS responses in terms of recognizing specific regional political, socioeconomic and cultural characteristics and systems, and utilizing common institutional structures and mechanisms. This regional context of AIDS governance is most evident in the area of sub-Saharan Africa most affected by the epidemic, defined by the group of countries that make up the Southern African Development Community (SADC). Launched officially in 1980 to promote economic cooperation among its member states, and reconstituted and renamed in 1992, SADC has included the threat of AIDS among the major development challenges for the sub-region. Recognizing the cross-border characteristics of the epidemic, it emphasized the need for cooperation between SADC member countries, coordination of regional efforts in responding to the epidemic, and the improvement of the SADC health sector in general.

### 2.3 Global Level

Global governance is defined by the role of regional and international partners in developing strategies that support national efforts in a coordinated and integrated manner. The June 2006 UN session identified the need for reliable long-term funding for the AIDS response, which affects the capacity of governments to respond effectively to the epidemic. Global governance and AIDS issues bring into focus the adequacy or inadequacy of existing international institutions and levels of support for poor countries to achieve sustainable development, in the face of the development challenges of AIDS and globalization. The main areas for action and change are: (a) trade liberalization and equitable and affordable access to HIV drugs; (b) international financial flows, including aid and debt reduction to ensure adequate AIDS financing; (c) international human rights standards, including the right of entry of HIV-positive aliens; and (d) global partnerships based on the need for collective action and mutual respect and benefits.

It was not until quite recently that the majority of industrialized countries began to show concern about the impact of the AIDS epidemic on poor countries and, consequently, on global equity. More attention should be given to the system of global governance for managing AIDS; otherwise there will continue to be little progress in reversing the global AIDS epidemic. A new architecture of global governance for AIDS is required, and this should include elements that are responsive to the needs of poor countries, as well as commensurate with the substantive importance of the global AIDS crisis in the international development agenda, particularly the UN Millennium Development Goals (MDGs).

# III

## IMPACT OF AIDS ON GOVERNANCE

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How does AIDS affect governments' capacity to support sustainable development at national and local levels?

In high prevalence setting, the impact of AIDS on society cannot simply be gauged in terms of loss of lives, because its effect is multi-dimensional in nature. The decline in life expectancy caused by AIDS in many countries and distortions in the age-sex structures have redefined the relationships between several indicators of development such as poverty, health, education and gender, among others. The situation is also highly nuanced since the relationship is not as linear as it may seem. For example, countries with the highest prevalence are not necessarily the poorest ones.<sup>1</sup> However, it is also true that the poorest segments of the population bear a disproportionate financial burden in caring for sick family members, as well as in coping with other economic and social effects of AIDS at household and community levels.

### 3.1 AIDS and the Household

Family and community-level relationships have been profoundly altered due to the consequences of AIDS, such as the costs incurred in caring for sick relatives, burial/funeral costs and the loss of income and savings due to the illness and death of income-earning members of the family. Studies on the *impact on households* show that the greatest burden falls on women-headed households, particularly on widows and their family members, impoverishing them further. Household capacity to participate in local decision-making is thus reduced.

The *gender dimensions* of AIDS are particularly relevant to the equality aspect of governance both nationally and locally. It has been well established that women are disproportionately affected by the epidemic. The number of women living with HIV has increased by one million from 2004 to 2006.<sup>2</sup> This increase has been most visible in sub-Saharan Africa, but there are also upward trends in other regions such as Central and Southeast Asia, as well as in Eastern Europe. The “feminization” of the epidemic is due to several factors—biological, social, economic and cultural—which contrive to increase existing gender inequalities, precipitate violence against women, and sustain women’s unequal access to information, education and services. Significantly, this state of affairs is exacerbated by the dominant but disadvantaged role of women as caregivers at the expense of their own economic livelihood. The *Agenda for Action, June 2006* (Global Coalition on Women and AIDS) states that “The ultimate criterion to judge all AIDS programmes is whether this works for women and girls.”

The *impact of AIDS on children* is profound, particularly from the perspective of a “rights-based” approach to governance. In addition to an increase in mortality, children affected by HIV lose basic rights, including education, health, housing, and food, which can lead to a lack of employment in the future. Additionally, there is undisputed evidence that the number of children who are orphans due to the loss of one or two parents because of AIDS has increased substantially in the past decade and projected to grow even faster in the future. The main concern is the

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1. UNAIDS (2006)

2. UNAIDS/WHO (2006)

multiplier effect of the disease on successive generations, which can lead to potentially significant social, economic and demographic consequences for societies now and in the future.<sup>3</sup> For example, AIDS “orphanhood” has been associated with increased levels of child labor, which has implications for schooling, and the health and nutritional status of affected children.

### 3.2 The Impact of AIDS on Public Sector Services

The impact of AIDS on the public sector has governance consequences in terms of the ability of governments to respond to the AIDS crisis. On the one hand, the demand for public sector social services such as health has increased greatly in order to cope with the crisis. On the other hand, the education sector has been greatly affected by the loss of teachers. As a result, *there are valid concerns about the quality and sustainability of public administration systems and governance*, due to serious budget and human resource constraints. At the same time, the public sector has also lost significant capacity due to AIDS-related deaths and illnesses. The loss of skilled and experienced service delivery personnel due to the disease affects the delivery and quality of public services, thereby perpetuating a vicious cycle. The challenge is to find ways to mitigate the loss of critical human resource capacities in the public sector, without which effective governance will not be possible.

As a *health* concern *per se*, HIV is linked with other infectious diseases, such as tuberculosis and sexually transmitted diseases. As a result, the prevalence of these diseases has increased in recent years, adding greatly to the strain on health care systems. From a governance point of view, to avoid stretching the healthcare system beyond its capacity requires additional resources in terms of public spending on health, in order to respond adequately to the AIDS epidemic.<sup>4</sup>

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3. Ibid.

4. UNAIDS (2006)

# IV

## GOVERNANCE STRUCTURES AND MECHANISMS FOR AIDS RESPONSES

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What types of institutional structures and mechanisms are needed to address governance in the AIDS response?

### 4.1 The Development Challenges of AIDS

At the heart of the governance and AIDS challenges is the possible trade-off between viewing AIDS as an emergency that calls for a vertical response and regarding it as an integral component of a broader national development agenda. A concerted effort to stem the spread of the epidemic requires incorporating AIDS concerns into national development planning and ensuring that development strategies include appropriate actions for aligning AIDS policies and programmes with annual budgets and medium-term expenditure targets, with clearly defined targets and “monitorable” outcomes. This would address the problem of lack of consistency in the synchronization and implementation of AIDS-related responses that run parallel with other aspects of the national development agenda and budget cycles.

There are cogent arguments for viewing the AIDS epidemic as a long-term development concern, in addition to it being an emergency. As such, the focus on short-term measures alone may actually prove to be counter-productive over the long haul. The moral argument for long-term planning requires greater awareness and recognition that the disease exceeds the span of a human generation, even though it has an impact on the present.<sup>1</sup> However, addressing long-term issues also presents a particularly challenging set of questions for policy-makers. How would scarce resources be allocated to address urgent and emerging needs, while at the same time addressing longer-term development goals? How would such long-term strategies affect the budget cycle? Would successive governments follow through on the strategies of previous administrations? How would the *sequence* of reform affect funding strategies? An example of such a dilemma is played out in the horn of Africa, where drought and famine present a severe quandary about how to sequence the procurement of necessary items such as food supplies and antiretrovirals (ARVs): food is urgently needed not only to stem hunger and starvation but also because ARVs cannot be tolerated on an empty stomach.

Existing challenges to mainstreaming AIDS responses at the national level are, to some extent, also a reflection of a limited recognition by global institutions, international non-governmental organizations (NGOs), bilateral and multilateral agencies about the extent, reach and impact of the epidemic. Thus far, and even against the backdrop of the UNAIDS joint programme, the design and development of AIDS-related interventions have largely conformed to the individual mandates of the respective agencies, which have not necessarily subscribed to a unified vision of how to integrate AIDS-related concerns into the national development planning and budget preparation process. Different rules and regulations govern the disbursement and implementation of donor-funded programmes; this is further complicated by a variety of procurement guidelines dictated by multilateral and bilateral agencies. As a result, piecemeal, narrowly targeted and small-scale AIDS programmes and action plans have tended to add to the burden and confusion of governments, which are stretched to the limit by diverting attention and resources to a multiplicity of objectives.

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1. Barnett & Prins (2006)

More often than not, resource allocation is not guided by a thorough and comprehensive analysis of the context, nature and progression of the epidemic or by absorptive capacity at central and local levels. A lack of understanding of the intricate relationship between the socioeconomic and cultural environment, social mores and practices, and the spread of HIV prevents a correct “diagnosis” of the situation, leading to the treatment of the symptom and not the cause. As a result, AIDS continues to be considered largely a public health issue, undermining efforts to understand the implications for long-term impoverishment, social disruption, and possibly even state collapse. Until recently, there was no attempt to analyze how governance can influence the course of the epidemic, nor how AIDS more broadly affects governance in terms of loss of personnel, and transforms economies and societies. Likewise, the allocation of funds for AIDS has largely been vertical and is increasingly used for the procurement of ARVs and medical treatment—separate from other related socioeconomic and development activity. Accordingly, the challenge is to apply the knowledge and information garnered over the past decades in a systematic and effective manner to address the multi-sectoral and broad developmental dimensions of AIDS responses.

## 4.2 Governance Challenges and the “Three Ones” Principles

### THE “THREE ONES” PRINCIPLES

- One AIDS action framework
- One national AIDS coordinating authority
- One country-level monitoring and evaluation system

The “Three Ones” principles are a major step towards a comprehensive and cohesive approach to implementing AIDS programmes. However, the *underlying process* of translating the principles into actions are challenging for both donors and governments. At the national level, there is a need for a comprehensive AIDS strategy and a coherent policy framework for mainstreaming AIDS into key sectors. For the donors, there is a need to commit to supporting a coherent national strategy.

With regard to the establishment of one national coordinating authority or a central coordinating body for AIDS responses, there have been reports of tensions between the health sector/ministry, the national AIDS coordinating agency and the finance/development planning ministry. These tensions have arisen over their respective areas of responsibility and possible overlaps; geographical and technical areas of jurisdiction; and financial management and oversight. Additionally, the capacity of the public administrative system to manage and deliver broad, cross-sectoral and comprehensive AIDS initiatives poses yet another challenge since the degree of decentralization of this system will have implications for the reach and effectiveness of the AIDS governance agenda.

Not surprisingly, the principle of one recognized country-level monitoring and evaluation system also faces similar challenges, in terms of determining who takes the lead in developing the monitoring and evaluation methodology, who monitors whom (i.e., central versus local authorities, health ministry versus the national AIDS coordinating body, donor agencies versus the government, stakeholders versus the government, etc), and how to define results and determine the accountability factor.

# V

## DEMOCRATIC GOVERNANCE AND AIDS RESPONSES

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What is the compact between state and citizenry? How can governments cultivate broad-based participation in decision-making and equitable access to public goods and services?

The spread of HIV and the impact of AIDS in the developing world has led to a reversal of past gains in economic and social development in areas such as life expectancy, public health and education. It has also affected democratic governance by contributing to a widening of the gap between those who are better off and have access to costly and scarce healthcare and other social services and those who are poor and do not have access. This is already the case in some African countries.<sup>1</sup>

### 5.1 Balancing Individual Rights with Collective Societal Benefits

A governance approach to AIDS responses must address the balance between the rights of the individual with the need for large-scale interventions. Issues such as partner notification and the debate on comprehensive HIV testing under a governance lens must be brought to the fore. The governance issue is also one of balancing the rights of the individual to access AIDS services with large-scale interventions in public health for societal benefits. There are also inherent tensions between the provision of centrally based services and the decentralization of services, particularly in health, where lack of local decision-making and fiscal autonomy may hamper the delivery of services.

Further, stigma associated with HIV poses serious constraints to the development of strategies and policies to respond to the epidemic. For example, successfully addressing the needs of groups at a higher risk of exposure, such as intravenous drug users, men who have sex with men, sex workers, the military, police and migrant workers, would require political commitment at the highest levels and open dialogue. Rather, the most immediate response to the AIDS epidemic has been either to marginalize and isolate these groups or to make provisions for medical treatment that are largely inadequate and inconsistent. Stigma and social isolation due to HIV and lack of access to services is particularly felt within economically deprived minority groups in many countries, such as indigenous groups in Latin America, immigrant groups in Western Europe, and the African-American and Hispanic communities in the United States.

### 5.2 Broadening Participation in Democratic Governance

The AIDS crisis has also contributed to the growth of civil society organizations (CSOs) in the implementation of AIDS programmes at all levels. They account for a substantial proportion of the total resources made available for responding to AIDS, including projects and programmes for prevention, treatment, care and support. Civil society organizations have also partnered with other stakeholders, including the public sector, to improve service delivery at the community level. However, ad hoc and limited assistance provided by NGOs and CSOs is neither a panacea for the inadequacies of public services nor a proxy for the government. Providing resources mainly to NGOs and

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1. WDR (2006)

CSOs may, in fact, undermine the structures and service delivery mechanisms that have been set up to respond to the epidemic, as well as the responsibility of the state for improving AIDS governance. The provision of healthcare services for addressing AIDS should be a public good. Therefore, without political legitimacy and full ownership by the government, there can be no effective national strategy.

The notion of democratic governance implies that national strategies and policies are a combination of “bottom-up” and “top-down” approaches to the development of national AIDS strategies and agendas. Under the circumstances, the identification of stakeholder groups and the active participation of such groups are essential to the development of a needs-based approach to AIDS programmes and interventions. The reason for this is simple: stakeholder groups tend to focus on consensus-based approaches. They identify the needs and priorities of the constituencies and communities involved, while ensuring that both the process and the outcome are as transparent as possible. Ideally, stakeholder groups must include organizations of people living with HIV and affected by its impact, including the older segments of the population who are often left out of the equation but are increasingly affected. The role of elderly people in many AIDS-affected societies also merits greater scrutiny and recognition for a number of reasons: i) in societies devastated by AIDS, particularly among large numbers of the younger generation, care of surviving family members is often provided by the elderly, who may be the only relatives left; and ii) elderly people are considered the custodians of social values in many traditional societies in terms of human behavior, and can mitigate potentially risky behavior among the young.

A functional governance dynamic implies a government-led participatory process with a degree of fiscal/budgetary oversight in terms of the way public expenditure is earmarked, distributed and tracked. Government accountability to stakeholders can be achieved through various means, such as creating an action-oriented agenda, publishing audited reports, and setting up independent monitoring and evaluation of programmes and interventions. Likewise, there is also a need for governments and donors to hold each other mutually accountable for the implementation of plans and programmes so that they benefit from consistent oversight, periodic review and assessment of needs and requirements, and a mutually acceptable definition of what can be termed effective outcomes.

Good governance, as a critical element in responding to the AIDS epidemic, also implies an important role for parliamentarians, who are not only the elected representatives of the people, but are also leaders in society with the mandate and public trust to act in the interest of the entire community. Parliamentarians, while providing oversight for the national response, also make laws including those to manage HIV in the workplace and the community, and influence the allocation of resources needed to secure progress in addressing the epidemic. Above all, parliamentarians bear a special responsibility to set examples that spur others into action to respond to AIDS effectively, morally and ethically.

# VI

## REGIONAL GOVERNANCE ISSUES AND AIDS RESPONSES

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What impact can regional organizations and partnerships have on Governance of AIDS Responses? Is regionalization a realistic and effective approach?

So far, supra-national regional organizations have not played a major role in responding to the AIDS epidemic, nor have they been successful in addressing it as a wider development issue. In sub-Saharan Africa, where the epidemic is most heavily concentrated, it appears that the threat posed to regional development is not always appreciated by the major regional and sub-regional organizations. Although the African Union (AU) and sub-regional bodies such as SADC and the Economic Community of West African States (ECOWAS) have adopted numerous resolutions and declarations against AIDS and even developed codes of conduct and guidelines for AIDS policies and programmes, there is still far too little commitment to comprehensive regional and sub-regional approaches. Part of the explanation for this situation lies in the failure of regional institutions to respond to AIDS as a development issue. The epidemic is still viewed by the AU and SADC, for example, as primarily a health issue, and has not received much political support at the regional level as a development problem.

The 2006–2007 strategic framework for the current work plan of the Economic Commission for Africa (ECA) includes AIDS responses as an essential component, building on the research and analytical policy work undertaken in connection with the UN Commission on HIV/AIDS and Governance in Africa (CHGA) which was established by the Secretary-General in February 2003. The framework is also expected to respond to regional mandates provided in the “African Consensus and Plan of Action: Leadership to Overcome HIV/AIDS,” adopted by the African Development Forum in March 2000; the “Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases,” adopted at a special summit of the Organization of African Unity in 2001; and the “Declaration of Commitment on HIV/AIDS,” adopted by the UN General Assembly in 2001.<sup>1</sup>

It is worth noting that from a governance perspective, donor agencies and development partners have started analyzing regional trends, issues and best practices, in order to develop appropriate support for regional and national AIDS responses. This implies that the challenge lies in taking into account region-specific socio-cultural, historical and economic characteristics and common administrative systems and structures. This could facilitate the development of appropriate responses, instead of superimposing outside models that are unworkable and unrealistic.

Public policy responses to AIDS at the regional level need to be located in a more robust understanding of causes and effects, including linkages between regional conflicts and AIDS. Further, AIDS governance policies need to be located in a space that is not only national, but also one that recognizes the mutual benefits to

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1. Ibid.

be derived through coordinated and integrated regional action. Regional organizations and institutions should play an important catalytic role in generating a sustained and informed commitment by national policy-makers and stakeholders to a harmonized set of policies and programmes that represent a well-funded, comprehensive response to AIDS.

Harmonization of AIDS strategies, policies and action programmes at a regional level is cost-effective, insofar as it attracts more coherent donor resources and enhances collaboration and collective action among countries. Regionalization of AIDS responses is complementary to national policies and leads to consistency, which again can be cost-effective particularly with regard to the procurement of drugs, training of personnel and sharing of vital information and knowledge. Countries that have common institutional structures and systems and similar social and cultural characteristics can thus gain from harmonization of AIDS policies and actions.

# VII

## GLOBAL GOVERNANCE AND AIDS RESPONSES

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The architecture of global governance for effective AIDS response.

### 7.1 Governance Deficit in the Existing Global Institutions and Arrangements

Effective global governance requires an implicit “recognition of HIV/AIDS as an important public policy issue from several perspectives: public health, human rights, sustainable development, social justice and equity,” which puts people at the centre of the development agenda.<sup>1</sup> There are concerns about the inadequacy of existing institutional arrangements governing international flows of trade, finance and investments and structures for AIDS responses, especially in relation to the mobilization of financial resources and access to essential HIV drugs at affordable costs now and in the future. Governance deficits for AIDS responses at national and international levels underline actions such as the adoption of the “Three Ones” principles and increasing demands for a new architecture of global governance that addresses globalization.

Endorsing the requirements of the “Three Ones” principles is certainly easier than implementing them. Despite best efforts, there are issues of competing objectives, overarching frameworks, overlapping agendas, and different procurement guidelines and requirements that beset countries. Poverty Reduction Strategy Papers (PRSPs) are an example of this problem. The targets and goals set at the country level reflect medium-term goals and expenditure frameworks that are most often not aligned with the MDGs and national development targets and indicators. For example, analysis of the relationship between poverty and AIDS is not necessarily included in PRSPs or not fully understood; hence, policy implementation is also not clearly articulated. More crucially, certain funding and debt relief facilities of the international financial institutions include conditionalities that are not compatible with the longer-term development goals or the social and human aspects of development. Consequently, there exist serious concerns within the international development community about the prospects for achieving the MDG targets by 2015, if national development planning frameworks and systems are not designed and synchronized to reflect those targets and how they can be realized.

It is clear that the global response to AIDS must be based on an improved and dynamic role of major international players such as the World Health Organization (WHO), the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), UNAIDS, the World Bank and the World Trade Organization (WTO). However, this is rather challenging in the present context of rapid economic globalization, which often takes place at the expense of social concerns such as health. The present system of global governance appears not to be in the interest of poor countries with weak and marginalized economies. It excludes them from benefiting from the opportunities created by globalization. Further, there may still be a lack of awareness or recognition in rich countries, which dominate the international system, about the significance of AIDS as a global crisis, and therefore about the need to strengthen the capacity of poor countries to respond effectively to the epidemic.

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1. Lisk (2006)

## 7.2 Towards a New Architecture of Global Governance

There is a need for a new architecture of global governance for effective AIDS responses. New global governance structures and mechanisms should be introduced to bring about fairer outcomes of the liberalization of international trade and capital flows, as well as more socially responsible patterns of globalization. A new global governance architecture for managing AIDS will undoubtedly bring into focus the relationship between the “hard” issues such as economic governance based on the Bretton Woods Institutions and WTO models, and the “soft” issues such as standard-setting based on UNGASS and universal access goals, the International Labor Organization (ILO) Code of Practice on HIV/AIDS, and MDG targets. In addition to this distinction between the hard and soft issues, global governance of AIDS should focus on the convergence between partners of the South and the North, including the African Union/New Partnership for Africa’s Development (NEPAD); the G8 debt relief initiative; consensus on short-term needs and long-term goals, including international agreements on financing AIDS harmonization and alignment (Monterrey, Rome, Paris); and policy guidelines and coherence.

Recently, international attention has focused sharply on the recognition that official development assistance (ODA) and other forms of external aid have to be scaled up in order to meet the demands for addressing the epidemic. Particular attention is given to the issue of capacity building in order to promote good governance and deliver results-based outputs in terms of AIDS services. Controlling the spread of HIV should be a global public policy concern. A good case can be made for external transfers and subsidies from richer to resource-poor countries to respond to AIDS. The alternative is for richer countries to face the probability of the spread of HIV infection to their own populations. Self-interest, as such, would lead richer nations to seek support through international cooperation and material and other types of contributions to the global effort to respond to AIDS. This should be a cost-effective investment on their part and at the same time yield benefits to those countries facing deep and intractable development challenges due to AIDS.

Global leaders and the international community must recognize that the AIDS epidemic is global and that it threatens everyone, and that the consequences extend beyond public health. The need to control HIV transmission globally underlines the importance of the mobilization of resources for a global response to AIDS. Governments of the rich industrialized states have a vital role to play in assuring the provision of health as a global public good that serves the common interest of both rich and poor countries by controlling the spread of the global AIDS epidemic. This will require recognition of AIDS as an international public policy issue from several perspectives: public health, human rights, sustainable development and social justice. The global response to AIDS also requires innovative thinking based on principles of fairness and equity, while placing people at the centre of the international development agenda. A new global architecture for AIDS must encourage more home-grown and sustainable policy responses, especially in the worst-affected countries.

# VIII

## FROM CONCEPT TO ACTION: GOVERNANCE POLICY INTERVENTIONS IN AIDS RESPONSES AT A COUNTRY LEVEL

Governance  
policy  
interventions:  
practical,  
action-oriented  
and results-  
focused.

The perception of AIDS as primarily a health problem rather than a wider development concern has limited the extent to which operational frameworks have examined and analyzed the links between AIDS, key socioeconomic indicators of development at country level, and governance. AIDS response interventions can influence and be influenced by a country's political economy and governance structures, including power relations, inequalities between socioeconomic groups, cultural change and other systemic factors.

The design and implementation of AIDS strategies and programmes should reflect a broader analysis of the key elements of a country's political economy. Governance is undoubtedly one of these elements. The application of governance considerations to the implementation of HIV prevention, treatment, care and mitigation policies and programmes at country level should begin with the identification of existing "governance gaps," which may relate to "deficits" in institutional capacity, stakeholders' participation, coordination mechanisms, decentralization of resources and expenditure monitoring. Additionally, from an operational standpoint, the concept of governance should be broadened to encompass an active and dynamic partnership between the state, civil society and the private sector. This implies participation by major stakeholders in the decision-making process as well as transparency and accountability in their interaction.

### 8.1 Efficient Allocation and Use of Funds

With the anticipated increase in global AIDS funding to an estimated \$10 billion a year from 2007 onwards, serious consideration should be given to how these funds are allocated and used; how they relate to other development needs as perceived by government and the population, especially within the health and other social sectors; and their impact in terms of effectiveness and added value. There are important governance implications particularly with respect to transparency and accountability.

Since the start of the current decade, there have been a number of commitments as well as mechanisms for additional financing and technical assistance for AIDS prevention, treatment, care and mitigation. These include the UNGASS Declaration of Commitment, WHO's "3 by 5" Initiative, the establishment of the GFATM, and pledges and commitments at recent G8 Summits and the call for Universal Access to Prevention, Treatment and Care by 2010, among others. Given the shift in AIDS responses at international and national levels toward greater investment in life-saving ART, there is the risk that treatment and care issues will dominate AIDS strategies and financing at the expense of prevention. More than five years after the Millennium Summit, indications are that progress has been slow, and the prospect for achieving the HIV/AIDS target and other MDGs within the next ten years is not promising. It is therefore more critical than ever that resources allocated for HIV control, as one of the MDGs, be utilized in a targeted and cost-effective manner in order to avoid the costly mistakes, duplications and imbalances of past efforts.

## 8.2 Challenges to the Implementation of the “Three Ones” Principles at Country Level

From the perspective of AIDS governance, there are five main challenges in relation to the implementation of the “Three Ones” principles at country level: (i) continuing fragmentation of donor responses despite increased commitments, leading to unpredictability in resource flows; (ii) difficulty in translating AIDS strategies into implementable, multisectoral plans and budgets; (iii) difficulty in effectively mainstreaming AIDS into national development plans (e.g., MDG-based PRSPs) and medium-term expenditure frameworks (MTEFs); (iv) governance and institutional challenges around the role and functions of AIDS authorities, the ministry of health and the ministry of finance; and (v) lack of data and diagnostic analysis of the impact of AIDS on development.

One of the “Three Ones” concerns the establishment of a single national coordinating authority (NAC). But what if governments fail to do so, or take an inordinately long time to set up such a body, or the single national coordinating authorities are ineffective? Restructuring public enterprises or establishing new government entities with broad, cross-sectoral responsibilities has had mixed results. The creation of coordinating bodies can lead to the transfer and, often, the loss of staff from ministries of health (MOH), leaving key departments in the public service under-resourced to push forward the AIDS agenda. In many countries, the MOH has continued to run multi-sectoral AIDS responses. If poorly conceived and implemented, the NAC model can actually prove to be detrimental to the AIDS response and the health sector as whole, and lead to duplication of roles and unnecessary turf battles. While proper implementation of the “Three Ones,” based on country-level specificities and capacities, could enhance the governance of AIDS responses, the lesson that one size does not fit all should not be overlooked.

Addressing these challenges will enhance the capacity of the machinery and institutions of government to respond effectively to AIDS and its impact on society. It will also strengthen the accountability relationship between government and its development partners, as well as between government and the population.

# IX

## STRATEGIC OPTIONS AND CONCLUSIONS— THE WAY FORWARD

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What types of governance structures, institutional mechanisms and partnership arrangements are needed for effective AIDS responses?

**E**fforts to control the spread of HIV over the last two decades have yielded useful experiences and lessons from the standpoints of both traditional public health and broader innovative approaches, as well as in terms of what has worked and what has not. From the perspective of governance structures and mechanisms, focus on the political and institutional dimensions of AIDS responses should help to shape more innovative and operational approaches. Such approaches have the potential to improve the effectiveness of AIDS responses and generate better results. This study aimed at improving governance in support of effective national AIDS responses. The approach builds on UNDP's corporate strategy on HIV/AIDS, which underscores: (a) the importance of harmonizing UN support and national AIDS responses; and (b) promoting partnership between government and civil society.<sup>1</sup> To this end, the following points draw on the above discussion to suggest key areas of focus:

- **Improving integration, coordination and harmonization of AIDS responses in development planning:** PRSPs have become an important instrument for setting poverty reduction and other national development goals, priorities and budgetary allocations in many countries. Yet, PRSPs have not integrated AIDS concerns as part of their analytical and operational frameworks in any meaningful sense. Attempts by external partners and donors to introduce and reconcile different development frameworks, such as the Country Cooperation Frameworks (CCFs), the MDGs, the PRSPs and UN Development Assistance Framework (UNDAF), have yielded mixed results and often added to the burden and confusion confronting governments. The implementation of the “Three Ones” principles provides both an opportunity and a challenge to simplify and harmonize the governance and institutional issues for effective AIDS responses. It enables multilateral and bilateral partners and donors to pool their resources in favor of interventions that are better coordinated with and complementary to national priorities and efforts.

Improving the integration of AIDS into development planning means working with governments and other development partners to take the lead in strengthening national capacities with regard to AIDS at various levels. It also means working to promote community and civil society participation in the AIDS response and planning processes; advocate for rights and accountability standards; and facilitate institutional changes needed to improve governance standards in AIDS responses.

- **Using the donor consultative process to improve governance:** Existing donor consultative groups in many countries provide a forum for discussion and review of external assistance by various agencies, in consultation with national authorities. This is particularly relevant with respect to AIDS financing, for a better alignment of donor support for national efforts. Usually, the process involves consultation between multilateral and bilateral donor agencies and relevant government agencies. By focusing on governance systems and dynamics between stakeholders, it is possible to ensure that donor contributions are consistent with national priorities and strategies with respect to AIDS responses, and avoid costly overlaps and duplications of effort.

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1. UNDP (2006), *Corporate Strategy on HIV/AIDS*

- **Strengthening the role of the UN Resident Coordinators:** The UN Country Team (UNCT) arrangement, in which UNDP country offices play a key role, provides architecture for improved coordination of UN system-wide support for national development efforts, including AIDS responses. A letter from the Secretary General to UN Resident Coordinators (RCs) in December 2005 requested them to intensify national responses to the AIDS crisis. It reiterated the need for the establishment of joint UN teams on AIDS to ensure policy coherence and strengthen advocacy. This gives central attention to supporting the implementation of national AIDS strategies and programmes, including those at decentralized levels. Strengthening the capacity of the RC system will provide the required leadership for the UN governance to incorporate AIDS into the overall development planning agenda.
- **Facilitating stakeholder participation and accountability:** So far, donor consultative groups and UNCT consultation processes seldom include stakeholders representing specific local interests. In order to ensure that the AIDS strategies and goals are practical and realistic and that these are adequately integrated and mainstreamed into AIDS responses and development planning, more effective partnerships should be established between government, external development partners and local-level actors, including representatives of religious groups, women, youth and the elderly. Needless to say, representatives from local groups of people living with HIV (PLHIV) must also be included. Equally important for governance is the need to balance participation and accountability, so that a clear understanding is reached about who is accountable to whom and for what.
- **Addressing the trade-off between longer-term issues and emerging responses:** In addressing the tension between the necessity of responding to AIDS as an emergency and the need to incorporate its longer-term challenges into wider development objectives, particular attention has to be paid to the issue of resources for meeting both approaches, and the trade-offs involved. Essentially, this addresses the problem of resource constraints—human and financial—as well as capacity constraints. A large injection of funds to respond to AIDS in poor countries will not necessarily resolve the problem in the short run because the funds do not always respond to national priorities. Further, due to insufficient implementation capacity, such as lack of trained personnel, institutional gaps, large turnover and loss of public officials due to AIDS, realistic assumptions (and tradeoffs) have to be considered about what can be achieved in the immediate future and what has to be deferred to a later date. Capacity should be developed within the UN system to take on the responsibility of advising governments on how to resolve these trade-offs in AIDS policy decision-making as well as in the allocation and use of resources.

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- **Incorporating peer review mechanisms:** In addition to the independent monitoring and evaluation of the AIDS agenda, a peer review process (such as that adopted by the African Union) would be an effective governance tool for monitoring the implementation of AIDS programmes by governments and different stakeholder groups, including the multilateral and bilateral agencies, NGOs and CSOs. It would also allow for “course correction” following periodic or mid-term reviews, and respond to new challenges or developments as needed. More importantly, the peer review process would go a long way towards injecting transparency and accountability into AIDS responses as part of the development process.
- **Strengthening national capacity for effective governance of AIDS responses:** National capacity, in terms of a variety of skills and competencies is indispensable for addressing governance issues in AIDS responses. The needs extend from the ability to establish and staff a national AIDS coordinating body (NAC) to skills for monitoring and evaluating programmes. Capacity building for AIDS responses should specifically include training in designing and costing AIDS responses, and linking needs assessment for AIDS to the overall macroeconomic framework. This would enable countries to achieve relevant national development and MDG targets. A critical element with regard to governance of AIDS responses would involve the ability and willingness of officials to work closely and coordinate their activities with those of sectoral ministries in the AIDS response and national development planning frameworks.
- **Managing expectations:** The pledges, principles and new frameworks that characterize global and national governance for effective AIDS responses may lead to rising expectations for immediate and visible results. It is therefore incumbent upon policymakers to ensure that goals and objectives of AIDS governance are kept as realistic as possible and clearly linked to implementation and achieving results. There should also be clear indications of how improved governance improves resource allocations; and how they relate to the medium-term expenditure and other budgetary and planning frameworks, as well as forecasted expenditure programmes of line ministries.

It must be acknowledged that however daunting the prospects may seem at this time, there are nevertheless encouraging signs that progress is being made toward addressing the governance dimensions of AIDS responses through a better understanding of the nature and impact of the epidemic, as well as best practices. Much work remains to be done to gauge the full impact of AIDS on governance and on how effective governance can improve AIDS responses. But governments are more willing than before to engage in open discussions and dialogue about governance challenges of AIDS and its impact on their economies and populations. The “Three Ones” principles are a useful step in the right direction, because of their explicit acknowledgement that ad hoc, short-term and individual efforts may not be the answer. HIV/AIDS as a global crisis needs global partners and an integrated and longer-term approach to support sustainable development. Governments and their external and local development partners agree that greater efforts will have to be made by all stakeholders in the area of governance to ensure effective AIDS responses that are consistent with the targets for MDG 6 and the other MDGs.

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