

BRITISH GOVERNMENT POLICY ON AIDS: ANALYSIS FOR AFRICAN CIVIL SOCIETY

GAIN Briefing Note

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Overview

1. This briefing note draws upon recent documents on British government policy on HIV/AIDS in Africa, highlighting key concerns for African civil society in the field of HIV/AIDS, democracy and governance. It does not address important AIDS programming issues or questions such as the British stand on providing condoms or voluntary testing. The conclusions are relevant to some of Tony Blair's Africa Commission's central concerns.

2. The review finds that Britain is leading international efforts in policies for HIV/AIDS in Africa in several areas, namely increasing finance and developing tools for better and more coherent 'donorship' at national level. Some of its innovations promise greater aid effectiveness. At the level of policies and programmes for responding to HIV/AIDS itself, including its wider impacts on society, the economy and governance, there is less sign of innovation. Notably, coherence between HIV/AIDS policies and programmes and wider poverty reduction and governance strategies has not yet moved beyond rhetoric.

Background

3. Britain is a leading donor to HIV/AIDS. In terms of gross spending, Britain is the second largest donor after the U.S. and by proportion of national income, it comes second after the Republic of Ireland. If aid allocations follow the government's projections, Britain is also on track to meet the target of 0.7% of GNP for ODA by 2013, the only G8 donor country to be in this position (comparable to small generous countries such as the Scandinavians and Irish). In the last seven years, British aid policy has pioneered 'good donorship' approaches such as direct budgetary support. Next year, Britain will be President of the EU and Chair of the G8, with Prime Minister Tony Blair's Africa Commission due to report and shape international policies to Africa. The Commission has already held two meetings. The discussions that have been made public already indicate the general direction of the Commissioners' thinking, which has no radical departures from existing British policy.

4. U.S. development and global health policies and programmes are bigger, and have greater profile simply because of their size and their association with the controversies over U.S. foreign policy and the administration's stand on abstinence. But their impact is reduced because they tend to be poorly coordinated and not adhere to an overall vision and strategy. The European Union is the biggest aid donor of all, but its funds are channeled through complex inter-governmental funding agreements, and are conservatively programmed in ways that minimize spending on HIV/AIDS. About 22% of Britain's ODA goes through EU channels, about £1.05 billion.

5. These factors make current British policy on HIV/AIDS extremely significant. In the last few months, the British Government has mapped out its plans for tackling the global AIDS pandemic. The DFID report, *Taking Action: The UK's Strategy for Tackling HIV and AIDS in the Developing World* was published in July. It followed reports by the Africa All-Party

Parliamentary Group, *Averting Catastrophe: AIDS in 21 st Century Africa* , and the National Audit Office, *DFID: Responding to HIV/AIDS* . On 16 September, the House of Commons debated HIV/AIDS in the developing world, drawing upon all three documents.

6.This note highlights key issues from these reports. In particular, it will examine: the level of funding, the coordination of donor funding practices, the coherence of development, macroeconomic and human resource frameworks, the need for a social rescue package, and the challenge of AIDS and governance. In each field, the implications for African civil society and democracy activists are highlighted. This analysis may also point to the likely direction to be taken by Blair's Africa Commission.

Resources for AIDS

7.The DFID report and plan are very strong on the issue of resources. It has a detailed analysis of current and projected funding levels, and the additional resources required. In turn this reflects a remarkable increase in development funding by the current British government, an increase that is even more remarkable in the field of HIV/AIDS. The funding level is doubly impressive because DFID has only very recently begun spending on costly ART: almost all the expenditure is on education, prevention, care, support to orphans, and impact mitigation.

8. It is not easy to determine the amount of money spent on AIDS by the British government (and indeed other donors as well as recipient governments). The NAO report points this out, and is worth quoting (para. 8):

Methods of estimating HIV/AIDS expenditure vary. DFID's current definition of HIV/AIDS bilateral expenditure includes sexual and reproductive health spending and generates an estimate of £274 million for 2002-03. If direct budget support and projects that focus principally on sexual and reproductive health are excluded the estimate falls to £169 million for 2002-03. An even narrower approach, which sought to exclude all project expenditure except that focused directly on HIV/AIDS, yielded an estimate of £103 million for 2002-03. This range of estimates reflects the broad-based and multisectoral nature of DFID's HIV/AIDS response, which makes expenditure contributing to HIV/AIDS objectives difficult to isolate.

9. DFID itself gives the figure of 'more than £270 million', up from £38 million in 1997 (*Taking Action* , p. 17). The NAO analysis is an important corrective to the headline figure. This element in the NAO report was well covered in the British media. It is more than an accounting problem: it also impacts upon how success and impact are measured.

10. This definitional problem is not going to become any easier. The NAO also highlights the additional difficulties that arise from the practice of direct budgetary support to recipient governments. In theory, it should be possible to use a government's own accounting system to track the funds allocated for and spent on HIV/AIDS programmes, and DFID is indeed trying to set up a system to do this. In practice, this has yet to be implemented. Many poverty reduction strategies do not specify the resources to be allocated to HIV/AIDS, and how to measure progress towards meeting targets for HIV/AIDS. In fact, fully one third of those examined by the NAO made no reference to HIV/AIDS resourcing needs. As DFID's support to recipient governments becomes more integrated, and as the impacts of HIV/AIDS become systemic across the entire social and economic fabric of Africa, tracking HIV/AIDS-specific expenditure becomes almost meaningless.

11. Notwithstanding these quibbles, the British spending on HIV/AIDS is large and increasing. For comparison, using (one assumes) the same criteria for identifying AIDS spending, the U.S. provides about £320 million and the third-ranked donor, Germany, £60 million. Overall, the UK's ODA budget is expected reach £6.5 billion by 2007-08, and AIDS-related funding for 2005/06-2007/08 to reach £1.5 billion. Annual British AIDS funding is projected to double before the end of the decade.

12. If other major donors were to commit commensurate resources, the currently-estimated global funding gap for HIV/AIDS programmes would be filled. But this is improbable. And in addition, there is a real risk that AIDS budgets will grow at the expense of other spending lines, leaving other development funds shortchanged. DFID is clear that an unprecedented long term commitment of funds is needed. Taking Action notes (p. 6) 'The impact of AIDS will be with us for generations to come.' The key to filling this long-term funding gap could be Gordon Brown's proposed International Finance Facility (IFF), which aims to nearly double global ODA by 2015, adding an additional \$50 billion per annum. There are a number of critiques of expanded ODA in general and the IFF in particular, but if we accept the need for increased HIV/AIDS spending, the IFF is presently the most credible mechanism for achieving the necessary level of resource mobilization.

13. African civil society should congratulate the British government on its current levels of spending and its plans for the future. The IFF should be supported by all. But CSOs should also never let down their critical guard: big ideas and large expenditures of money always bring serious problems in their wake. Finance itself is only a means to an end. The bigger question is getting the priorities right and properly mobilizing the real resources people and institutions to serve those priorities.

Good Donorship I: Donor Coherence

14. There are two components to 'good donorship' with respect to HIV/AIDS. One is donor coherence. In turn, this includes both the adoption of a coordinated approach by all donors, in line with host country policies, with simplified procedures and reliable disbursement of funds. Donor coherence also includes the coordination of policies and programmes across different branches of a donor government. While DFID leads the way in setting out donor harmonization policies, the British Government as a whole falls short. The second component of good donorship is policy coherence namely the extent to which HIV/AIDS policies are meshed with other key policies, notably poverty reduction, macroeconomic stability and good governance. While DFID has recognized the importance of this issue, it has not presented significant new thinking. Policy coherence is presented in the following section.

15. Along with most major donors, the British government has adopted the 'three ones' policy promoted by UNAIDS: one agreed HIV/AIDS action framework, one national AIDS coordinating authority, and one monitoring and evaluation system. The 'fourth one', yet to be adopted, is one donor planning, financing and accounting process. This is implicit in much of the analysis and proposal in Taking Action, and warrants support.

16. Lack of donor coherence is a serious problem for recipient governments. DFID gives the example of Uganda hosting 25 separate donor planning missions in 2003. DFID goes so far as to support the idea that countries should reduce the number of donors they have, for example by setting a minimum donor contribution to AIDS programmes. If countries want a pooled funding mechanism, DFID promises to replace any lost funding and thus sustain the overall amount of

resources available. This is a radical proposal that African civil society should support even though the NGO sector thrives on the multiplicity of donors.

17. The unstated challenge here is the U.S. Presidential Program for AIDS Relief (PEPFAR), which is almost entirely a stand-alone program that refuses to coordinate with other AIDS initiatives, let alone subordinate its own procedures to national priorities. In Ethiopia, for example, a PEPFAR delegation arrived without having consulted the painstakingly drawn up national plans for health sector expansion. Given that Ethiopia has significant unspent funds for AIDS programmes from the World Bank and Global Fund, and could attract more from other high-quality, low transaction cost donors if it needed them, one might imagine that a parallel programme with minimal coordination was the last thing that the country needed. But for obvious political reasons, the Ethiopian government is not ready to reject an American offer of assistance. Until a country such as Ethiopia says no to a poorly planned PEPFAR programme, it is unlikely that PEPFAR will make the necessary changes to its modus operandi. DFID's report also ducks this issue, though the logical implication of its policies on aid coherence is that recipient countries should reject U.S. assistance when it is not well planned or coordinated.

18. British aid also has some distance to go before it meets its aspirations for coherence. For example, many multilateral donors and funding mechanisms supported by the U.K. still don't adhere to DFID's principles for integrating AIDS policies into overall strategies, and ensuring policy coherence. The NAO found that eight out of fourteen strategy papers for DFID support to multilateral development institutions failed to mention HIV/AIDS. Among these was the strategy for the European Commission, which received the enormous sum of £851 million from DFID in 2002-03, and which disbursed just £40 million for AIDS-related programmes in that financial year. (In 2003-04, DFID financing of the EU topped £1 billion, and the amount spent on HIV/AIDS is not yet reported.) More surprisingly, DFID support strategies for the World Bank and UNDP were among the others lacking an integral HIV/AIDS component.

19. Another challenge is intra-governmental coherence 'joined up government' in recent parlance. It is striking how AIDS is still seen overwhelmingly as a DFID concern, and mention of other government departments in Taking Action is almost embarrassingly thin and pro forma. The most substantive inter-departmental coordination on AIDS appears to be in the health sector, concerning the recruitment of African health professionals by Britain's National Health Service. DFID paper calls for an informal cross-Whitehall working group on AIDS. The APPG report extends its reach to other government departments, insisting that the Ministry of Defence has responsibilities for AIDS and security, the Department of Trade and Industry for British companies operating in Africa, etc. However, even this report remains overwhelmingly focused on DFID, and the September Parliamentary debate was almost wholly preoccupied with Britain's aid programmes.

20. A final challenge is coherence given the range of circumstances in different African countries. Reflecting both this and its own institutional dynamics, DFID swings between a somewhat dogmatic approach based on direct budgetary support to a more flexible one with a pluralistic mix of aid instruments. The latter is essential especially in what are euphemistically called 'difficult environments' which increasingly includes countries impacted by generalized HIV/AIDS epidemics. The tension between a common approach across the board, and adaptations to specific circumstances, will certainly recur in Britain's AIDS policies.

21. Most African CSOs support the principle of direct donor funding to CSOs and NGOs after all, they need resources themselves. Diversity is also a virtue, and too much donor coherence runs the risk of squeezing out experimental, unorthodox or simply independent activities. But the

downside of multiple parallel channels must be acknowledged: they tie up huge amounts of over-stretched government resources. Moreover, NGO activities are often just as orthodox as governmental ones, in part because they are so often dependent on funds from the same donors, and despite their rhetoric, most donors like to fund activities that are similar and familiar. It is important that advocacy CSOs analyze these issues objectively and do not simply call for NGO funding to be at the forefront of donor responses.

Good Donorship II: Policy Coherence

22. How is AIDS integrated into wider frameworks for poverty reduction, economic growth and good governance? The coherence of development, macroeconomic and human resource frameworks with HIV/AIDS is a major concern, which has received remarkably little sustained attention by analysts. At the UN General Assembly Special Session on HIV/AIDS, in June 2001, all countries adopted a Declaration of Commitment that includes an undertaking to 'integrate HIV/AIDS prevention, care, treatment and support and impact-mitigation priorities into the mainstream of development planning, including poverty eradication strategies, national budget allocations and sectoral development plans.' This was to be done by 2003. It hasn't happened, even for the donors such as DFID that have taken these issues most seriously, and which have the human and financial resources to devote to this task. The fact that DFID has fallen short illustrates the immense substantive challenges of grappling with this question, and also the immense political and institutional difficulties in getting different disciplines and arms of government to act in harmony.

23. Coherence between the imperative of tackling HIV/AIDS and other policy priorities was a major issue for APPG, which insisted, following Peter Piot, Director of UNAIDS, that the epidemic is an 'exceptional' issue demanding exceptional measures and if necessary a suspension of existing policy frameworks. The concept of 'exceptionalism' may provide the necessary intellectual organizing principle to enable analysts to create a framework for policy coherence. However, the concept as it stands today is fuzzy and open to many interpretations. Moreover, it is a negative concept that points to what HIV/AIDS is not—and doesn't assist with directing us to solutions, except as a rebuke to those who continue with business as usual. In this context, 'exceptionalism' can be taken to mean that we need to make exceptional efforts to rethink all development strategies. The importance of policy coherence is acknowledged by DFID. It was also pursued by the NAO, and was raised again in the Parliamentary debate, but without concrete policy suggestions.

24. African CSOs are concerned with the coherence issue, and are finding that the ambitious and general target of the UNGASS Statement of Commitment is almost entirely irrelevant to the challenges they face. According to the discussions in a recent forum in Senegal convened by the Open Society Institute for West Africa, what is needed is less ambitious but more concrete goals and regional frameworks for action.

25. The NAO report notes that many DFID country strategy papers do not address the impact of HIV/AIDS on poverty. It might have added that even those strategy papers that do so, rarely go into significant depth, and often give only lip service to the issue. The adequate integration of HIV/AIDS concerns into poverty alleviation does not simply consist of national programmes to support children orphaned by AIDS, but a thorough redesign of development and social protection policies and programmes to take account of new sources and patterns of vulnerability. Countries whose poverty reduction strategies rank high on the NAO scoring system include Ethiopia, Ghana, Tanzania and Uganda, and those familiar with these documents and their implementation will quickly recognize this shortcoming. However, more optimistically, the DFID

standard that country strategies incorporate HIV/AIDS is a beginning: as the quality of analysis of the socio-economic impacts of HIV/AIDS continues to grow, a higher standard will be demanded from policymakers.

26. One salient aspect of the linkage between HIV/AIDS and poverty is the question of HIV/AIDS expenditure and spending ceilings required by the Bretton Woods Institutions for macroeconomic stability. This issue is highlighted in the APPG report, which draws upon Peter Piot's analysis of the 'exceptionalism' of AIDS and his demand that donors find means of providing the funds necessary without destabilizing recipient economies. DFID is rising to one part of the challenge, by stressing one of the IMF concerns, namely the predictability of aid flows. The background to this is that the IMF has rightly regarded most aid flows as short-term and unpredictable, and has therefore been reluctant to allow recipient governments make their spending plans on the basis of aid commitments. In turn this means that when a government is close to its existing spending ceiling, the IMF will argue that a large loan is not necessarily beneficial to the economy, because it may provide a one-off and unsustainable economic boost, but leave a legacy of debt. DFID is leading the way among donors in addressing this concern, by making its aid flows more predictable over the long term, and also grants rather than loans. If the IFF is created next year, this will be a major advance for this long-term approach to aid financing. For this logic to work, it will have to be sustained well beyond the current target date of 2015.

27. However, the APPG report also raises a second set of concerns about large-scale aid financing, which are not answered in DFID's Taking Action . This is the fear that a large-scale inflow of funds will contribute to longer-term economic dependency, by over-valuing the exchange rate and causing a switch of domestic resources from productive sectors into unproductive sectors. Advocates for massive increases in ODA to poor countries rarely explicitly address the question of whether these cause long-term structural changes in recipient economies. Arguments run both ways. For example, would a doubling or tripling of aid to Ethiopia increase the value of the Ethiopian Birr, and thereby make Ethiopian coffee and livestock less internationally competitive? This is the conventional analysis of macroeconomists. Others are counter-arguing that marginal increases in price for Ethiopian coffee will not affect Ethiopia's exports significantly, and that major aid spending will actually make the country more competitive by improving the infrastructure and making it easier for farmers to get their crops to market. For those concerned with HIV/AIDS, there is an additional argument lurking in the shadows, namely that spending to keep people alive should be counted as 'investment' rather than current expenditure, and should be reflected thus in national accounts. There is a complex set of economic arguments nested in here, which needs to be elaborated and unpicked.

28. Two points of concern for African CSOs emerge from this. The first is that, just as AIDS activists became sufficiently literate in the science and economics of anti-retrovirals that they could successfully challenge the pharmaceutical companies, they must now become literate in the macroeconomics of scaled up assistance: this is one of the frontiers of the struggle. The recent exchanges between ActionAid and the IMF are an example of this. The second is that winning the argument requires making the claim that aid to Africa is here to stay, on a large scale and a long time frame. For those who have decried the dependency syndrome and advocated self-reliance, this is a bitter pill to swallow. The reluctance of Africa's political left to accept long-term aid dependency or at least to consider it the lesser of two evils may be one reason why this area has been left intellectually impoverished.

29. Another linkage between HIV/AIDS and poverty reduction is the field of food security. This linkage has been recognized for fifteen years and in fact Britain's Overseas Development Administration, the precursor of DFID, led the way in sponsoring research on this subject in the

1980s. Although much is now known about the complex ways in which the epidemic adversely affects food security, policy and programme measures to respond to the challenge have been extremely modest. This area was not adequately dealt with in DFID's Taking Action . The implications of this are further explored in the section on social protection and social rescue.

30. The issue of human resources for health is emerging as perhaps the most critical of all, even more important than health financing. Not only are health professionals in short supply, but they are being lost to the private sector, to international migration, and to AIDS itself. 'We are going to run out of people before we run out of money' reads an article on the subject in South Africa (SAPA 13 September). In May, the World Health Assembly came close to considering a proposal to compensate African Ministries of Health for the loss of personnel through international recruitment. However, with no consensus among developing countries, this was not tabled. Instead a resolution was tabled and adopted calling for an International Code of Practice on health worker migration. This is a complex issue that will be the subject of a future GAIN briefing paper. All the reports under consideration raise the issue of the dwindling number of African health workers, but none has an answer, though there are reports that the Africa Commission is entertaining radical ideas on the subject. The human resources for health question will gain greater salience in a few months with the release of the Joint Learning Initiative report.

31. Donor coherence and policy coherence meet in the challenge of the management of scarce real resources under stress. Unlike finance which can be mobilized in short order real human resources and institutions cannot be built rapidly. The basic reality confronting poor and AIDS-afflicted countries is that their real resources are simply insufficient to enable them to sustain all the services they would like. If combating HIV/AIDS is to be a priority, then the limited stock of people and institutional capacity needs to be directed away from other activities towards HIV/AIDS. This must happen irrespective of how much additional money can be raised. The toughest question facing national governments and donors is: what will be sacrificed in order to make HIV/AIDS a true priority?

Social Protection and Social Rescue

32. Currently, there is considerable interest within DFID in concepts of social protection, and applying them to Africa. This reflects recognition that Africa's problem is as much an inability to absorb shocks ('downturn with security', to adopt the language of the Global Commission on Human Security) as it is to achieve sustained growth. Social protection is likely to be prominent in the analysis and recommendations of the Africa Commission. The concept's origin lies in social insurance schemes and safety nets, against both 'idiosyncratic shocks' (those that strike individual households, such as workplace accidents or crippling illnesses) and 'covariant shocks' (those that strike a whole community, such as a drought or collapse in the price of a cash crop). Approaches to social protection have been evolving recently, to recognize the role of informal protection measures such as rotating credit associations and mutual assistance schemes in addition to formal mechanisms such as pensions and social insurance. Another advance has been recognizing the need for pro-active measures such as asset creation to make poor people's livelihoods more resilient. Exclusion from social services is also being recognized as an important dimension of vulnerability, implying that scaling up service delivery is essential to effective social protection. However, it is likely that the HIV/AIDS epidemic and its impact will illustrate the limitations of social protection measures. The impact of a generalized HIV/AIDS epidemic is neither 'idiosyncratic' nor 'covariant': it is chronic and systemic, albeit slow and apparently random in its short-term impacts. Moreover, it does not replace other sources of shock or stress, and indeed may make them more common or more dangerous. The main challenge is that the

level of assistance needed to cope with the sheer scale of distress caused by AIDS will overwhelm all existing social protection schemes.

33. DFID's current and planned activities include a number of social protection measures, not just in the context of HIV/AIDS, but also assistance to livelihoods in general. The main focus is on orphans, but there is also mention of food security and livelihood protection. Are these enough? One of the problems of the focus on HIV/AIDS itself, both in the NAO inquiry and the DFID plans, is that this area of overlap between HIV/AIDS work and poverty reduction is insufficiently analyzed. The APPG report goes further in investigating the wider and longer-term impacts of AIDS on livelihoods and society in general.

34. However, we still need a thorough analysis of how to make poverty reduction strategies 'AIDS proof'. At the core of this will be the requirement of redesigning macroeconomic strategies to promote faster growth, taking into account the distortions and costs imposed by the HIV/AIDS epidemic. Averting Catastrophe raises this challenge, pointing out that without major mitigation efforts, the AIDS epidemic makes it impossible for African countries to achieve the Millennium Development Goal of reducing poverty by half by 2015. While it identifies a range of programmatic interventions at the community and household level, and emphasizes that only reducing new infections will ultimately make the difference, the APPG does not delve into the kinds of new macroeconomic policies required for the era of AIDS. Neither does DFID. This should be a major challenge for the Africa Commission, and especially one of its Commissioners—Britain's Chancellor of the Exchequer, Gordon Brown.

35. The APPG notes that AIDS is an 'exceptional' threat to social and economic development, and even to the foundations of society. It calls for a social rescue package: a more radical proposal than social protection measures, and implicitly a reordering of priorities so that social assistance takes first place over policies aiming to maximize economic growth. There is a growing body of analysis that points to the economic efficiencies of social protection measures, in making poor people's production more efficient, sustaining asset bases, and reducing the impacts of market failures. But the economic implications of taking these to the scale required to provide universal ART and support to all children orphaned by AIDS or otherwise disadvantaged, have yet to be analyzed. Will greater economic security mean that poor people become more efficient producers, thereby stimulating growth? Or will the financial burden and economic distortion implied by hugely increased social spending going to block economic growth?

36. It is notable that much of the analysis in this field has started with micro-studies at field level, only later leading to the macroeconomic level. If more and better micro-studies are done, the possibility of using their findings as an effective advocacy tool for changing macro-policies should not be underestimated. Micro-macro linkages are key. Otherwise, micro-research tends to generate only micro-level recommendations as has happened with much of the literature on AIDS and food security, which has ended up advocating better cultivars of cassava, lighter ploughs for easier use by women and youths, and micro-credit schemes. These are all useful tools, but can only be effective if the right macro-policies are in place. African CSOs should therefore sharpen their research tools, in partnership with African research institutes.

37. The emergence of the social protection debate, and the APPG's radical idea of a social rescue package, illustrate that a policy option considered off-limits by economists for several decades substantially increased social spending is being put on the agenda, partly through the work of activists. As it rises up the agenda, economists study it more closely and find that associated problems can be minimized or solved. It is notable that World Bank researchers are leading the way in demonstrating the economic benefits of social assistance to the poorest. One lesson is that

if African CSOs want to set an important international agenda, they can do so. Another lesson is that within aid bureaucracies such as DFID and the World Bank there are potential allies, with important research resources and influence at their disposal.

Governance

38. The British Government has come to the view that the HIV/AIDS epidemic has governance implications. For the most part, its thinking has been cautious and empirically-driven, in contrast to the U.S. National Intelligence Committee, which declared that the global AIDS pandemic was a security threat almost four years ago. In the last two years, DFID has commissioned two reports on AIDS and security, and one on AIDS and governance. These reports have ably reviewed the existing literature, concluding that there is prima facie evidence for AIDS epidemics worsening governance and for poor governance worsening the prospects for HIV/AIDS epidemics. However, translating these findings into specific policy recommendations has proved harder.

39. The APPG report is broader in its analysis than DFID's Taking Action and the ongoing programmes investigated by the NAO. It deals with the implications of the HIV/AIDS epidemic for security and governance, and here too it applies a framework of 'exceptionalism.' In particular, the APPG insists that African governments and their donors should prepare for losses in capacity in key sectors, including security, health and education, through capacity-building programmes and massively scaled up staff training efforts. It notes the impact on the private sector also—which is losing skilled workers and calls for British industry and the Department of Trade and Industry to establish a special unit to advise on these challenges.

40. This is an area in which British policies are as yet inadequate. DFID's current activities are mostly conventional capacity building. For example, DFID supports a programme that aims to double Malawian health sector staffing over six years. Modest though it is, such an effort puts Britain well ahead of many other major donors in this field. DFID's spending on 'governance' (however defined) last year was £104 million. Some of the ideas being floated by (for example) the UN and PEPFAR include a massive injection of international volunteers to assist with dispensing ART (past experience with volunteers suggests that they may be helpful but create difficulties and do not make for a sustainable solution) and the large-scale training of teachers as healthcare workers (a proposal that seems to overlook the crisis of human resources in the education sector). The simplification of assistance mechanisms should also help free up host country personnel to do their jobs instead of spending most of their time dealing with foreign delegations. This is laudable, but not nearly enough. Methods of 'adaptive management' that can cope with serious human resource losses in key sectors also need to be considered. This too is an area demanding serious study, and is part of the rationale and mandate for the UN's Commission on HIV/AIDS and Governance in Africa (CHGA) which is due to report in 2005.

41. A general agenda item here is contingency planning for the possibility of state crises associated with HIV/AIDS epidemics. Whether or not the immediate causes of a crisis of state functioning are the impacts of AIDS or other more conventional problems, such as conflict, the concurrence of a major political crisis and a generalized AIDS epidemic threatens new and more intractable forms of emergency. It is important for major donors such as DFID to begin planning for such eventualities ahead of time. There is no indication that this is happening.

42. A specific agenda item is how the British Government, on its own and through the EU and G8, can promote African peacekeeping and ensure that it adheres to the highest standards of HIV/AIDS programming. The Netherlands presidency of the EU is advancing this issue, alongside the African Union efforts to create the African Standby Force by the time of the July

2005 AU Summit. There is an obvious opportunity for DFID, the Foreign and Commonwealth Office and the Ministry of Defence, to move this agenda forward in 2005.

43. An important agenda for pan-African CSOs in the field of HIV/AIDS and governance is how African countries can help one another. There are two issues here. The first is simply transfer and sharing of skills: countries that are short of key skills should be able to obtain assistance from other African countries. Tunisia for example provides health sector professionals to a number of other African countries, an example that should be followed by others. A second issue is common subregional or regional strategies, which can simplify administrative and planning issues. For example, if all east African countries were to adopt a single health strategy and health budget, there would be significant economies of scale and savings in administrative costs. The stresses of HIV/AIDS demand a pan-Africanism of necessity: African CSOs should recognize this and campaign for it. These are fields in which the African Union and NEPAD should take a lead. Britain, which supports both, needs to develop the appropriate policies to assist.

Conclusions

44. Those who are looking to DFID for a radically new approach to HIV/AIDS policies and programmes may be disappointed by *Taking Action*. There are significant signs of progress in two important areas, namely mobilizing more finance and developing better donorship. However, with regards to HIV/AIDS policies and programmes, DFID has drawn the lesson that there are significant improvements to be made, but that its existing approach is basically right. DFID's basic message is: we must try harder.

45. DFID's critics have a lingering feeling that, despite statements about the importance of HIV/AIDS, the agency is changing very slowly, that its rhetoric runs well ahead of their action, and often new rhetoric can be used to justify unchanging policy actions and programmes. Are these criticisms fair? It is preferable to ask, what can be done to make a major donor live up to its promise and potential?

50. We can see a slow but significant shift to a new orthodoxy for development cooperation, which has new forms of partnership and generous financing for HIV/AIDS at its heart. DFID is pouring new money into HIV/AIDS and more widely into international development and the IFF, if realized, will make a huge amounts of additional funding available. Rhetoric about coherent policies and predictable long-term assistance may be chiefly rhetoric at the present, but if the British government is challenged and held to its promises, it may become reality. And if the best parts of British policy are recognized and praised, other donors perhaps even including the U.S. may adopt some of these best practices as well.

51. However, DFID's policies and programmes for HIV/AIDS are largely unchanged. There are new frontiers for thinking, activism and policy that are only touched upon in DFID's past and proposed activities. And there are challenges hinted at but unaddressed. The APPG report, with a longer time horizon, maps out some of these: AIDS and governance, AIDS and national security, and the need for a social rescue package. One of the lessons of the last five years is that the AIDS epidemic and responses to it are unfolding extremely rapidly, with major surprises almost every year some of them unpleasant (such as the vicious interaction between AIDS and hunger) and some of them welcome (the dramatic fall in the price of ARVs). Related to this is the encouraging lesson that activists can identify an issue, pursue it, bring it to the centre of policy debate, and then create a new reality. This happened with universal access to ART. It can happen too with the other issues, such as AIDS and poverty reduction and unlocking the resources and policies necessary to respond to the needs of children orphaned by AIDS. Above all, it needs to happen in

the big picture field, of re-imagining what economic development, social protection and good governance look like in the era of HIV/AIDS. In this area, the challenge for civil society groups concerned with HIV/AIDS is to develop the analytical tools and action alliances to enable them to make concrete proposals for how HIV/AIDS policies and programmes should be merged with strategies for economic growth, poverty reduction and good governance, and then campaign for those unified strategies to be implemented.