



# THE SUSTAINABLE FINANCING INITIATIVE IN TANZANIA

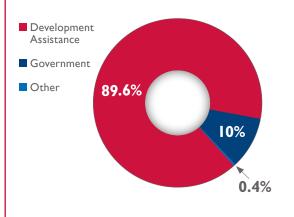
Funded by the United States President's Emergency Plan for AIDS Relief (PEPFAR), the Sustainable Financing Initiative for HIV/AIDS (SFI) aims to increase sustainability of the HIV response by promoting shared financial responsibility with host country governments. Since 2014, the U.S. Agency for International Development (USAID) has implemented SFI in 16 countries and two regional programs, with a budget of nearly \$48 million.

Among countries with the highest adult (age 15 - 49 years) prevalence, Tanzania ranks 13<sup>th</sup> in the world. In 2020, there were over 1.6 million people living with HIV (PLHIV) in the country and the prevalence of HIV was 4.9 percent. There were an estimated 65,779 people newly infected with HIV and 25,582 annual deaths from an AIDS-related illness.<sup>1</sup> The Government of Tanzania is committed to reducing the effects of HIV/ AIDS, yet gaps in human resources, domestic financing, health infrastructure, and challenges in the supply chain have been obstacles to controlling the epidemic.

In collaboration with the Government of Tanzania and relevant stakeholders, SFI provided technical assistance to enhance public financial management, generated evidence to inform advocacy and policy, and leveraged private sector resources to strengthen corporate investment in HIV services. These efforts represent important milestones on the path to long-term sustainability of the HIV response in Tanzania.

#### AT A GLANCE

HIV/AIDS Response Funding Sources in 2017<sup>2</sup> Tanzania total: \$480 million



### How SFI Contributes to a Sustainable HIV Response



The Tanzanian government created a **new budget line item of \$114 million** for procuring and distributing health commodities, including \$4.5 million for antiretroviral drugs.



SFI strengthened the capacity of civil society organizations to advocate for bigger HIV-related budgets.



SFI leveraged **\$7.8 million** through grant and debt financing, and by drawing on private sector capacity for service delivery, achieving more than a





### Spotlight: Making Health Care Affordable

Salome Michael Nyoni, a single mother of two, is one of 47 million Tanzanians who earn less than \$3 a day. Like 74 percent of the population, she did not have access to health insurance and could not afford private sector health care.

Today, thanks to Jamii, a mobile phone-based health insurance product that USAID supports, Salome has finally found affordable health care for her family. "Before joining [Jamii], I was going to the hospital, paying a lot of money," she said. "Medicines also cost money. But when I joined the Jamii system, it helped me."

Jamii is a private health insurance product built on a mobile phone platform. As a cashless, paperless product, Jamii allows uninsured, low-income people like Salome to enroll quickly in low-cost insurance, and helps ensure providers are rapidly reimbursed for services.

PEPFAR (2020). Tanzania Country Operational Plan COP 2020. Strategic Direction Summary. March 30, 2020.

<sup>2</sup> Institute for Health Metrics and Evaluation (IHME) (2020). Financing Global Health Visualization. Seattle, WA: IHME, University of Washington.

BETWEEN 2017 AND 2019, SFI FOCUSED ON TWO KEY AREAS IN TANZANIA: PUBLIC FINANCIAL MANAGEMENT AND PRIVATE SECTOR ENGAGEMENT. AS A RESULT OF THIS INITIATIVE, FUNDS HAVE BEEN CHANNELED TO COUNTRY-LED EFFORTS TO FURTHER MOBILIZE DOMESTIC RESOURCES TO ADDRESS THE NEEDS OF PLHIV.

#### **Public Financial Management**

To make more services available to PLHIV, the Government of Tanzania and related stakeholders needed to grow their HIV budgets and services. SFI's advocacy efforts contributed to a new budget allocation of \$114 million per year in 2016 and 2017 to purchase and deliver essential health commodities, which were not in previous budgets. This included a first-ever allocation of \$4.5 million to purchase antiretroviral drugs during the same time period. Disbursements of these new budget line items were limited, indicating there is opportunity for improvement through greater investments in public financial management.

To improve resource use and the availability of essential health commodities, additional efforts will be needed to address spending challenges such as misalignment of budgets to government revenues, procurement limits for relevant supplies and products, and the priority the government gives non-health sectors over health. The National AIDS Control Program increased funding for HIV commodities and test kits with a goal of reaching 86 percent of PLHIV by 2020. SFI also focused on building the capacity of government institutions and civil society organizations to improve how HIV funds are allocated and actually spent, ensuring continued domestic funding for HIV post-SFI.

### **Private Sector Engagement**

Many clients prefer to access care in the private sector but have been unable to do so due to a lack of available services or an inability to afford private-sector care. While ARVs in the private sector are provided by governments and donors free of charge, many clients are unable to afford consultation fees. **SFI built the capacity of the private sector to increase affordability and availability of services** so that PLHIV could get the care they need. As a result, over 10,000 more people were tested and 2,707 signed up for private healthcare insurance through Jamii mobile insurance.



I7 facilities that received private financing recorded an average 35% increase in HIV testing

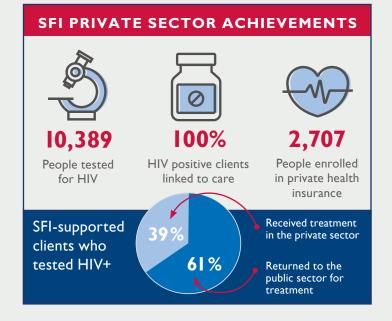
Innovative partnerships with the private sector improved vulnerable populations' access to HIV care. After the nonprofit Trafigura-North Star committed \$1.4 million to expand HIV services, six new roadside clinics opened to serve surrounding communities and truck drivers, target populations that are highly likely to contract HIV along roadways but often lack access to high quality health services.

Better trained healthcare providers enabled a nurse-led private facility to integrate primary and HIV healthcare services for all adult populations. The positive experience was replicated at 20 more private facilities, helping to **expand HIV treatment services**. As a result, facilities expanded testing and treatment access to male partners, adolescents, and other family members, where previously nurse-led clinics provided HIV treatment services only to pregnant women.

#### To spur growth in HIV services, **SFI unlocked innovative** financing to help private HIV service providers access

**private capital.** SFI coached 70 facilities on loan application processes and helped develop business cases to incentivize lending. Because loan applications backed by 50 percent guarantees from the U.S. Government were successful, providers were also able to apply for other private loans without a guarantee. SFI leveraged \$6.4 million in loans from CRDB Bank to health facilities, including \$1.7 million to expand HIV services.

**SFI** promoted affordable HIV care through private health insurance. For communities with high HIV prevalence, SFI partnered with Jamii Africa and other private companies to enroll PLHIV in private insurance so they could access HIV services at private hospitals.



## SUMMARY

SFI showcases how targeted investments increased both public and private resources, expanding access to client-centered care and making health care more affordable. Increased efforts are still needed to secure sustainable financing for Tanzania's HIV response into the future.

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