



Independent observer
of the Global Fund

COVID-19 AND WEAK POLITICAL COMMITMENT UNDERMINE THE DISEASE RESPONSES IN LATIN AMERICA AND THE CARIBBEAN

COVID-19, weak political commitment, and low domestic investments in health are significant barriers in the fight against human immunodeficiency virus (HIV), tuberculosis (TB), and malaria in Latin America and the Caribbean (LAC) region. The LAC countries are also grappling with transitioning away from Global Fund support amid profound socioeconomic inequalities, barely sustainable civil society programming, and poor universal health coverage (UHC). The countries, together with the Global Fund, will need to make more concerted efforts to address these challenges.

These are the findings of a report based on consultations with LAC constituents to inform the development of the new Global Fund strategy. The [report](#) was released in September 2020. It presents the opinions and experiences of those involved in or linked to the implementation, sustainability, and transition processes of the Global Fund grants, and the three disease responses in the LAC countries. This information was collected by means of a survey and in-depth consultations. Participants in this process included Global Fund state and non-state grant implementers, Country Coordinating Mechanisms (CCMs), government officials, and Local Fund Agents (LFAs). The Global Fund Observer has already highlighted contributions by the [African Constituency](#) and [South East Asia](#) in previous issues.

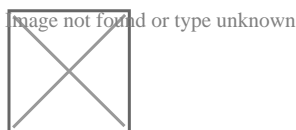
This article highlights key issues affecting the region, based on the LAC constituency report, existing literature, and data from the Global Fund Data Explorer page.

Global Fund's support to the LAC region

The LAC region is currently receiving the lowest proportion of Global Fund assistance, alongside Eastern

Europe and Central Asia, at 3%. By comparison, sub-Saharan Africa receives 74%, Asia and the Pacific receives 16%, and North Africa, and the Middle East receives 4%. The funds are supporting grants in 18 countries in the region. The LAC region has received country and multi-country allocations totaling \$373 million for the 2020-2022 period, which accounts for 3% of the total allocations for this period. Activists from the region have previously criticized the Global Fund for [deprioritizing the region](#) from its agenda.

Figure 1: 2020-2022 allocations for LAC countries



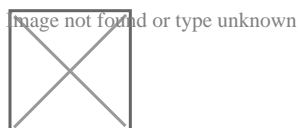
Source: Global Fund Data Service Page

Key issues affecting the LAC region

Lack of political will to prioritize the response on the government's agenda

Lack of political commitment to address HIV, TB, and malaria is the most significant barrier to ending the three diseases and achieving Sustainable Development Goal 3 (SDG 3) in the LAC region. The respondents noted that this is evident in low domestic spending in the health sector despite growing economies. Indeed, various quarters have argued that a government's [ability to pay](#) does not always translate to a [willingness to pay](#) for health care services, especially for the most marginalized. Only three of the 17 countries eligible for Global Fund support in the region spent more than [5% of the gross domestic product \(GDP\)](#) (which is the recommended minimum) on health in 2017 – that is the most recent data available. The rest spent between 0.2% (Venezuela) and 4.9% (Colombia).

Figure 2: Public health spending as a proportion of the GDP for Global Fund implementer countries in LAC



Source: [The World Bank Data](#)

Weak political commitment threatens sustainability in the region

As highlighted by the report, transition and sustainability are [critical issues in the LAC region](#). More countries are either graduating or preparing to graduate from Global Fund support due to an increase in their income status and reduced disease burden. The respondents noted that countries had made limited progress in involving the relevant sectors in ensuring that the progress made against the three diseases was sustainable.

One of the respondents emphasized that “sustainability is not only about funding; it is also about political commitment. Until the response to the three diseases becomes a central component of the political agenda for the governments and represents a substantial portion of the health policies, we will not be sure about sustainability.” Transition plans should include the different sectors that are involved in health policies and funding.

Need to review eligibility criteria

Stakeholders in the region have repeatedly requested the revision of the Global Fund’s eligibility criteria. The Global Fund assesses a country’s income status (based on the gross national income (GNI) per capita) and the burden of the three diseases to determine eligibility. The survey respondents highlighted the need to revise the eligibility criteria as GNI per capita fails to consider the LAC’s [profound socioeconomic inequalities](#).

One of the respondents noted that “the other aspect is equity in the countries: in a country that has vast inequality, even if its income reaches the levels for transition according to the World Bank, there will be people living in high risk.”

Currently, more than half (12 out of 17) of the Global Fund implementer countries in the LAC region are upper-middle income (UMI), see Table 1 below, and are therefore likely to graduate from Global Fund support in the next few years. In the current 2017-2019 allocation period, Belize, the Dominican Republic, Paraguay and Suriname are transitioning away from Global Fund support for TB, while Panama is transitioning away from Global Fund support for both TB and HIV after it attained high-income status in 2018. These components or countries are not eligible for Global Fund support in the 2020-2022 period. The Global Fund also projects that [Guyana \(HIV, TB\) and Dominican Republic \(HIV\)](#) will transition away from Global Fund support by 2028.

Table 1: Income classification for Global Fund implementer countries in LAC

Income classification	Number of countries	Countries
UMI	12	Belize, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Guyana, Jamaica, Paraguay, Peru, and Suriname
Upper lower-middle-income (LMI)	2	Plurinational State of Bolivia and El Salvador
Lower LMI	2	Honduras and Nicaragua
Low income (LI)	1	Haiti
Total	17	

Source: [Global Fund Eligibility List 2020](#)

Respondents raised concerns about the delays in reflecting the changing realities of the countries. For instance, at the time of the survey, the World Bank still classified Venezuela as a high-income country despite years of economic crisis and rising poverty levels. However, Venezuela is now classified as a middle-income country. “In two to four years, [this] may be reflected in the World Bank figures, and by then, it will be too late to get the funds they [Venezuela] need now”, explained one of the respondents. The Global Fund currently uses the [latest three-year average of GNI per capita](#) to determine income level to mitigate the effect of major changes in GNI from one year to the next. Because of exceptional circumstances, and on the recommendation from technical partners and the Secretariat, [Venezuela has become eligible for malaria funding](#) in the 2020-2022 allocation period. This decision was based upon the resurgence of malaria in the country and the threat that Venezuelan migrants may export the disease to neighboring countries.

COVID-19 and business continuity

The Plurinational State of Bolivia, Colombia, the Dominican Republic, Ecuador, and Peru are among the Global Fund implementer countries recording [high COVID-19 cases](#) in the region. The pandemic has disrupted prevention and treatment services for the three diseases and undermines the LAC’s efforts to end the three diseases. The respondents identified gaps in service provision due to the pandemic and noted that countries lacked clear plans to transition back to normal programming after the pandemic. They reported that their countries were already diverting

resources (funds, equipment, and infrastructure) from the three diseases to the COVID-19 response.

The report also argues that the pandemic would negatively impact the countries' financial capacity. According to the report, the pandemic threatens to cause the region's worst economic crisis as countries report a 5.3% average decrease in GDP. The region was already experiencing serious [economic difficulties](#) before the pandemic and had recorded only 0.4% economic growth between 2014 and 2019. A United Nations report had estimated a 9.1% reduction in regional GDP in 2020 as a result of the pandemic. In view of this, the respondents predicted that the pandemic is likely to derail transition plans in the region. Almost all the respondents said it was necessary to reconsider preparations for the transition.

Weak, fragmented systems undermine Universal Health Coverage

Weak and fragmented health systems have undermined UHC in the region. UHC implies that everyone—irrespective of race, ethnicity, age, gender, or social status—has access to health services without suffering financial hardship. The respondents noted that the three diseases rarely appear on other government institutions' agenda, undermining access to services. For instance, the respondents noted that existing social protection systems rarely consider or integrate people affected by the three diseases as direct beneficiaries. One of the respondents said, “Diseases like tuberculosis are debilitating, and most of those affected are driven to poverty or extreme poverty, but the social protection systems do not include them as beneficiaries.”

The LAC region also has weak or non-existent primary health care for the three diseases. The majority of the services are only available at the tertiary level. “Centering the response and care at the tertiary level not only clogs the system and promotes the concentration, but also weakens the community approach and engagement provided by the first level,” one participant noted. The respondents asked that primary health care units are financed and capacitated to meet the demands for prevention and treatment. For countries to eliminate coverage gaps, the World Health Organization recommends spending [at least 1% of the GDP on primary health care](#).

Transitions threaten the involvement of civil society

Transitions and political instability threaten the key and strategic role of civil society organizations (CSOs) as their programming is heavily dependent on external funding. [Panama's 2017 transition readiness assessment](#) found that HIV-related CSOs were unlikely to survive the Global Fund's exit. The perceived competition between state and non-state actors, a lack of capacity, and the fact that the value of CSOs had yet to be determined, were identified as barriers to civil society programming in the recently published Global Fund Strategy Review 2020.

“It is critically important that we develop a strategic mechanism to ensure that the monitoring and social control of programs exercised by the civil society remains sustainable,” noted one of the respondents. In recent years, social contracting was advocated as a solution for financing CSOs. Under this mechanism, governments can finance programs, interventions, and other activities implemented by non-state actors. Unfortunately, legal, fiscal, and political challenges have undermined social contracting in the region, despite initial optimism.

Recommendations

The report highlighted a set of recommendations. Those pertaining to the Global Fund proposed measures to:

1. Stimulate greater political involvement at the highest level to secure financial commitments and translate them into state policies.
2. Develop more inclusive response models from all relevant sectors and levels.
3. Promote operational research and new technologies by investing in the first implementing phase and in their sustainability.
4. Share experiences and technological innovations in order to strengthen the regional approach.

Further reading:

- Executive summary of the [report of the results of the survey applied to Latin America and the Caribbean to contribute to the development of the New Global Fund Strategy 2023-2025](#) (The Spanish version of the report is

[here](#))

[Read More](#)
