



NATIONAL AIDS COUNCIL SETS THE RECORD STRAIGHT ON AIDS LEVY

The National AIDS Council (NAC) would like to set the record straight regarding recent allegations in the Herald (20-21 August 2009) that the AIDS Levy was being spent on luxuries.

As an organization, we are fully aware that we are a public institution and therefore worthy of media scrutiny. Such media scrutiny, while warranted must however be based on verifiable facts.

The National AIDS Council would like to assure the public that we have remained dedicated to upholding our mandate to provide for measures to combat the spread of Human Immuno Deficiency Virus (HIV) and management, coordination and implementation of programmes that reduce the impact of HIV and AIDS. (The National AIDS Council Act Chapter 15:14 of 2000) This mandate has been amplified by the global three ones principle, which calls for One coordinating authority (NAC), One strategic framework (Zimbabwe National HIV and AIDS Strategic Plan 2006-2010) and One Monitoring and evaluation system (administered by NAC). To animate this mandate, Zimbabwe adopted a multi-sectoral approach wherein NAC facilitated the establishment of decentralized coordinating structures. Most readers will recall the AIDS Action Committees that animate the National AIDS Council at provincial, district, ward and village levels.

Through coordination by the National AIDS Council, Zimbabwe has scored significant successes in the national response to HIV and AIDS. These successes have been attributed to the decentralized multi-sectoral approach in which government has partnered civil society, the corporate sector, donors and the nation in collective action to counteract the pandemic.

These successes have been made possible in a bigger way by the AIDS Levy, which the National AIDS Council administers. Zimbabwe is one of the few countries in the world to record a sharp decline in the HIV prevalence over the years. From a high of over 33% in 1999, the HIV prevalence declined to 15.6% in 2007 and recent evidence suggest that we are coasting towards a single digit rate.

The decline in the HIV prevalence has taken place in a very constrained environment, with limited resources. As a result of this, the AIDS Levy has been hailed as a regional best practice with potential lessons for other countries. Already the National AIDS Council has received delegations from various regional countries which are seeking to emulate the Zimbabwean delivery model.

At the same, there has been a marked progress in the provision of ARV drugs in the country. Since the inception of Anti-retroviral therapy in Zimbabwe in 2004, the country has continued to face critical challenges largely related to foreign currency and other resources. Despite the challenges, the ART initiating sites have risen to around 290 today from 2 in 2004. There are indications that at least 60 000 patients will have been commenced on ART in 2009 alone. AS we

speaking Zimbabwe is maintaining upwards of 170,000 patients on ARVs out of the 300,000 who urgently require them.

Realising the funding gaps and the rising demand for ARVs, the National AIDS Council together with partners in the national response embarked on a resource mobilization campaign resulting in support from the Global Fund and the Expanded Support Programme and other donors. The support in scaling up access to treatment has therefore been received from the Global Fund and the Expanded Support Programme, the USAID, the MSF and other donors. Projections are that 210,000 patients will be on ART by the end of 2009. In view of the improving inflows of the AIDS Levy and the support from our donors and partners, particularly Round 8 of Global Fund and the Expanded Support Programme, the number of people is set to dramatically rise in 2010.

In 2006, the National AIDS Council became a Principal Recipient of the Global Fund, presiding over large sums of money in grants for Round One and Five. This and other funds that NAC has presided over have been expressions of confidence in NAC's systems and capacity. There has never been a single report of financial impropriety in NAC's management of these resources. To the contrary, NAC has been hailed for its efforts in scaling up access to ARV drugs despite the associated challenges.

The Government of Zimbabwe in 2006 decided that 50% of the AIDS Levy must be spent on procuring ARVs. The National AIDS Council is therefore guided by that decision and has been implementing it since then.

The public may want to know that Government's decision came when the NAC Board had already decided and started to procure ARVs worth US\$250,000.00 a month beginning October 2005. To animate this decision, NAC partnered UNICEF in an arrangement where the two institutions exchanged Zimbabwe Dollars for US Dollars. Following the implementation of this decision, the number of people on ARVs in Zimbabwe rose from 26,000 to 42,000.

The partnership with UNICEF later became untenable due to the sky rocketing inflation.

Since dollarization of the economy, it is true that NAC has received US\$ 1,745,451 from ZIMRA to date of which US\$890,000.00 is available in NAC's account awaiting procuring ARVs. There are tender procedures to be adhered to in doing this. We have already engaged the NATPHARM-CROWN AGENTS consortium who have also finished adjudicating the tender and placed an order for the ARV drugs (ref. CH6X2586/001-2). The strategic delay in procurement is due to the fact that it is not cost effective to procure ARVs using the AIDS Levy on a monthly basis as the cost of procurement will outstrip the intended supply.

While the AIDS Levy inflows have improved after dollarization, we still remain way below expectation as most companies remain closed leading to reduced income from individual and corporate taxes. For example, currently most civil servants are not paying AIDS Levy, while it is not possible to collect the levy from the informal sector, which has become the biggest source of employment today.

We would like the public to know that most of the NAC Board committee meetings are held in the NAC board room. For example, recent board committee meetings between 09 and 18 August 2009 were held at NAC while a NAC secretariat meeting on programme management was held at the Management Training Bureau in Msasa from 04 to 07 August 2009. All these efforts were instituted to ensure that the AIDS Levy is deployed to the key areas of NAC's mandate. For those who have been to NAC, you will agree that NAC does not have adequate office space.

Any expenditure related to salaries and perks is in line with government policy as stipulated in relevant statutory provisions. NAC always seeks approval of its budgets for these purposes from its parent ministry. The NAC wage bill is below US\$15,000.00 a month. The last time NAC procured vehicles using the AIDS Levy was in 2005, after approval by the Ministry of Health and Child Welfare. This was done through a cost sharing arrangement with UNDP as support to the national

response to HIV and AIDS. These vehicles are being used in the coordination of the national response, which as you are aware is decentralized to village level. Any new cars which might have been seen at NAC or bearing a NAC logo are those procured through the Expanded Support Programme and the Global Fund to ensure that HIV and AIDS programmes are implemented, monitored and coordinated. None of these can be said to be luxurious as they are all field vehicles and are being used by various implementing agencies like the Ministry of Health, Global Fund grant sub recipients, behaviour change organizations and others.

The National AIDS Council's expenditure is in line with its workplan and budget according to specific thematic allocations, of which treatment has 50% of the budget. The Ministry of Health and Child Welfare approves the workplan and budget for each year.

To guard against any impropriety in handling of resources, NAC makes use of both internal and external control mechanisms. The NAC Board created an internal audit to check on compliance to controls, systems and procedures in the conduct of organizational business. Additionally, NAC's financial records are externally audited by the Department of Comptroller and Auditor General. Further to this, NAC has been entrusted with various donor funds for which we have satisfactorily accounted.

The National AIDS Council would therefore like to once again reiterate that we are upholding our mandate to coordinate the national response to HIV and AIDS, while at the same time being accountable to the nation. We are doing this despite the challenges that are currently endemic in the operating environment.

For more information on the above and the national response to HIV and AIDS in Zimbabwe, please contact the Communications Department on: 04-790575; 791170-2/8, or email: secretariat@nac.org.zw; or website: www.nac.org.zw