

## Frequently Asked Questions on the Investment Case

### What is the Investment Approach?

The HIV strategic investment approach was developed in 2011 by an international group of experts, including from UNAIDS, the Global Fund, the Bill & Melinda Gates Foundation, civil society organizations (CSOs), the World Bank, the WHO, UNICEF and PEPFAR to increase the impact of HIV funding and to assist countries in planning and prioritizing different elements of an effective, efficient and sustainable AIDS response. The investment approach is a process that can be used by countries to focus efforts on reaching the 2015 global AIDS targets and beyond and to ensure an optimized and sustainable HIV response by applying a long-term outlook (typically 10+ years). It is underpinned by meticulous analysis of empirical evidence, a realistic appraisal of existing resources, and quantification of the returns of HIV investments. It shifts the focus from costs and expenditures to investments that deliver optimal returns [Schwartländer B, Stover J, Hallett T, et al. Towards an investment approach for an effective response to HIV/AIDS. *Lancet*. 2011; 377:2031–2041. (2011) [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(11\)60702-2/fulltext#article\\_upsell](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(11)60702-2/fulltext#article_upsell) ]

### What is an Investment Case?

Applying the investment approach sometimes culminates in the development of an Investment Case. The Investment case is a document that makes the case for optimized HIV investments. At its core is a description of returns on investment in a country's optimized HIV response over the long-term (typically 10+ years). It summarizes the state of the epidemic and the response, describes the prioritized interventions, populations, and geographic areas to be implemented to achieve the greatest impact over the long term and the resources required. It also outlines the main access, delivery, quality and efficiency issues to be addressed to improve HIV services and describes what will be done to address these issues. It includes an analysis of, and plan for, realistic and more sustainable financing of the HIV response, including increases in domestic financing where relevant. (Global Fund Information Note: Strategic Investments for HIV Programs (2014) [www.theglobalfund.org/documents/core/infonotes/Core\\_HIV\\_InfoNote\\_en](http://www.theglobalfund.org/documents/core/infonotes/Core_HIV_InfoNote_en))

### What is the objective of the South Africa HIV and TB investment Case?

The South Africa Investment Case aims to establish the most cost-effective mix of interventions to address HIV and TB for South Africa over the next 20 years, taking into account both current and future levels of technical efficiency. Cost effectiveness will be measured as cost per HIV or TB infection averted, as well as number of life years saved, by the entire programme of interventions.

### How will the South Africa Investment Case be used?

The South Africa Investment Case will inform the country's HIV and TB policy going forward; funding for the HIV and TB programmes under the HIV/AIDS Conditional Grant, Equitable Share, and other sector Medium Term Expenditure Frameworks; the midterm review of the National Strategic Plan on HIV, STIs and TB (2012 - 2016) as well as the next 5-year National Strategic Plan; and resource mobilization for additional domestic or external financing. A robust investment case will also form the basis of Global Fund concept note, the principal means to request funding under the new Global Fund funding model.

### What is the linkage between the Investment Case and the NSP?

Countries are encouraged to use the investment approach whenever a rigorous examination of the HIV response is required, especially in the development and review of their national disease strategic plans (NSPs) and/or investment cases for HIV. While there is significant overlap between robust NSPs and investment cases in the sense that investment cases are also evidence-based documents providing essential information on the epidemiological context, the current response, and other key areas, a sound investment case differs in that it explicitly quantifies the returns on HIV investments. Many NSPs often do not include such an assessment, but in an ideal case would do. Investment cases have a longer-term perspective (typically 10+ years), which is crucial, as returns of investments often occur beyond the 5-year horizon of a NSP.

### Who are the key stakeholders in the development of the South Africa Investment Case?

The South Africa Investment Case is being developed through an intensified national dialogue about investment choices and priority setting involving all key national partners, including civil society groups at all stages. Appropriate forums for this dialogue include existing multi-stakeholder structures and processes such

as SANAC structures and other governance bodies and partnership forums. In particular, the Investment Case will facilitate an intensified dialogue between HIV and TB programmes and between funding, planning and development authorities responsible for steering broad national development programmes.

### **Who are the users of an Investment Case?**

The target audience for the South Africa investment case will include: cabinet; SANAC; premiers; provincial, district and local AIDS councils and their civil society chairs; national Treasury; national departments – NDOH, DBE, DSD others; the Global Fund (joint concept note for HIV & TB); civil society; the private sector; and development partners.

### **What is the time frame for producing the South Africa Investment Case?**

The South Africa Investment Case will be developed in 2 phases. Phase one from October 2013 to March 2015 will generate preliminary national results, while phase two from March –to August 2015 will produce updated national as well as provincial results.

### **What format will the South Africa Investment Case be in?**

An Investment Case may take several formats: it can be a standalone document; an updated existing National Strategic Plan; integrated in a new NSP; or be part of a strategy planning process such as the mid-term review of the NSP. The South Africa Investment Case will be a standalone document that will inform both the mid-term review of the current NSP as well as the new NSP.

### **What are the core components of South African HIV and TB Investment Case?**

The South Africa Investment Case will lay out three categories of investments essential to the HIV and TB response, namely basic program activities that have high impact, critical enablers, and development synergies.

### **What are Basic Programmes in the Investment Case?**

Basic program activities are high impact interventions that have a direct impact on HIV and/ or TB risk, transmission, morbidity and mortality. High impact interventions are essential to an adequate HIV or TB response and should be delivered at scale according to the size and geographical location of the relevant population in need. High impact interventions directly reduce HIV or TB transmission and keep people alive, healthy and productive. They are evidence based and evidence informed interventions, which when implemented together at scale, can change the course of epidemics.

### **Which Basic Programmes will the South African Investment Case include?**

The South African Investment Case will include nine (9) basic programmes, namely:

1. Focused interventions for key populations at higher risk
2. Elimination of new HIV infections among children
3. Social and behaviour change programmes
4. Comprehensive condom promotion and distribution
5. Treatment, care and support for people living with HIV
6. Voluntary medical male circumcision
7. HIV counseling and testing
8. Tuberculosis screening, diagnosis and treatment
9. Other biomedical prevention (Pre-Exposure Prophylaxis, Post-Exposure Prophylaxis and STI Treatment)

### **What are the Critical Enablers?**

Critical enablers are “activities that are necessary to support the effectiveness and efficiency’ of basic programme activities”. Critical enablers tend to be more HIV-specific. One of their primary purposes is to contribute to HIV-related outcomes. That means critical enabler programmes should be primarily assessed in terms of their effectiveness in increasing the uptake, equitable coverage, rights-based delivery and quality of basic programme activities. Critical enablers are defined in two categories – social enablers such as community mobilisation, changing laws and stigma reduction. The second category of critical enablers are programme enablers, or efforts to make programmes work, such as community centred design and delivery, communication, management, procurement and research and innovation.

### **What are Social Enablers?**

Social enablers make environments conducive for rational HIV and TB responses possible and programme enablers that create demand for and help improve the performance of key interventions. Social enablers consist of outreach for HIV testing and HIV treatment literacy, stigma reduction, advocacy to protect human rights, and monitoring of the equity and quality of programme access and results and mass communication designed to raise awareness and support change in social norms.

### **What are Programme Enablers?**

Programme enablers include incentives for programme participation, methods to improve retention of patients on antiretroviral therapy, capacity building for development of community-based organisations, strategic planning, communications infrastructure, information dissemination, and efforts to improve service integration and linkages from testing to care.

### **What are Development Synergies?**

Development synergies are investments in other sectors that can have a positive effect on HIV and TB outcomes. The Investment approach identifies a few key development sectors that present opportunities for synergies in multiple contexts: social protection, education, legal reform, gender equality, poverty reduction, gender-based violence, health systems (including STI treatment and blood safety), community systems and employment practices. Development synergies are less HIV-specific. They tend to have a broader range of impacts across health and development sectors. Although development synergies can have a profound impact on HIV and TB outcomes, their reason for being is not typically for HIV or TB. The South Africa Investment Case will address synergies with the broader health and development programmes.

### **Why are Critical Enablers and Development Synergies important?**

Critical enablers and development synergies are essential to the South Africa HIV and TB response for five main reasons. They

- support and increase the effectiveness, efficiency, equity and reach of basic programme activities;
- can act directly to reduce (or exacerbate) risk to HIV and TB;
- can help to protect and promote human rights and human rights principles: participation, accountability, inclusion, non-discrimination and informed consent;
- can result in a multitude of positive development and health outcomes across the Millennium Development Goals; and
- encourage the sustainability of the HIV and TB response.

### **What key questions will the South African investment Case answer?**

The South Africa Investment Case will provide answers in the following four areas:

1. *Technical efficiency*: The Investment Case will analyse the cost and cost effectiveness of the current mix of interventions against HIV and TB over the next 20 years, *at current coverage targets* and (a) current levels of technical efficiency and (b) optimal levels of technical efficiency. This analysis would allow us to see what the *current* programme does, and could, achieve. It will also be the baseline for the calculations of incremental cost and cost effectiveness
2. *Technical and allocative efficiency*: The Investment Case will analyse the full and incremental cost and cost effectiveness of the most efficient mix of interventions against HIV and TB, with efficiency measured in number of HIV infections averted, number of TB cases averted, and number of live years saved, over the next 20 years, *at optimal coverage targets* and (a) current levels of technical efficiency and (b) optimal levels of technical efficiency. This analysis would allow us to see what the *optimal* programme could achieve- both if we don't change technical efficiency and if we change both technical and allocative efficiency.
3. *Economic efficiency*: By holding the current or a future planned funding envelope constant and analysing the most efficient mix of interventions *at this level of funding* and (a) current levels of technical efficiency and (b) optimal levels of technical efficiency.
4. *Feasibility*: For all above scenarios, we will also analyse the total number of staff at each staff level required to implement all interventions.

### **What data is required to develop the South Africa Investment Case?**

The South Africa Investment case will require the following data for each intervention and, where relevant, each technical efficiency factor:

1. Target population: Definition and size of the target population
2. Current government targets (e.g., NSP on HIV, STIs and TB; ministerial performance agreements)
3. Effectiveness of each intervention in terms of HIV and/ or TB infections averted, life-years gained, and/or other, more programmatic or intermediary parameters,
4. Unit cost(s) or cost ingredients if a full unit cost is not available

### **How will the Investment Case team address missing data on unit costs?**

Where no unit cost can be found, or no unit cost from South Africa or based on a cost analysis, the potential cost will be established using ingredient costing based on expert opinion or literature on resources used or to be used in the intervention. Where unit costs are likely to change with time, scale, or level of care, or the type or number of staff carrying out the intervention is likely to change, flexible unit costs will be given preference over static ones. Whenever any of these aspects is also likely to impact technical efficiency, the cost and impact of this aspect will be included separately in the cost and epidemiological model.

### **What are the key success factors for a strong Investment Case?**

The key success factors for a strong Investment Case are clear objectives; proper process design and management; stakeholder engagement and leadership; effective prioritisation of effective interventions; data availability; appropriate focus on enablers and development synergies to counteract a potential bias towards biomedical interventions alone; and a consideration of cost effectiveness and coverage, not just cost reduction.

### **What analytical methods will be used for the South Africa Investment Case?**

The South Africa Investment Case analysis will use established models of the HIV and TB epidemics in South Africa as well as a cost model that will be purpose-built for this analysis. The epidemiological model will produce the number of HIV and TB infections averted and the number of life-years gained by each intervention for the years 2015 to 2035.

The cost model will use the output from the epidemiological models in terms of numbers of people covered by each intervention and multiply this by the unit cost (i.e., cost the per person/ person year/ test/ visit) of each intervention. Cost will be evaluated from the government perspective and will be presented in nominal terms and discounted at 5.5% (the current repurchase rate of the South African Reserve Bank) as well as undiscounted. The cost model will supply information on the average and total cost of each intervention; the total cost of the chosen scenario; and the staff contingent needed for each intervention (where staff data is available).