

THE IMPACT OF THE GLOBAL FUND'S WITHDRAWAL ON HARM REDUCTION PROGRAMS

A CASE STUDY FROM BULGARIA
EURASIAN HARM REDUCTION NETWORK
USAID-FUNDED HEALTH POLICY PROJECT

SEPTEMBER 2015





Acknowledgements

This case study is a publication of the Eurasian Harm Reduction Network (EHRN). EHRN is a regional network of harm reduction programs, groups of people who use drugs, and their allies from across 29 countries of Central and Eastern Europe and Central Asia who advocate for the universal human rights of people who use drugs. EHRN's mission it is to promote humane, evidence-based harm reduction approaches to drug use, with the aim of improving health and well-being, whilst protecting human rights at the individual, community, and societal levels.

The Eurasian Harm Reduction Network is assessing Eastern Europe and Central Asian countries' readiness to transition from Global Fund support to domestic funding of harm reduction programs through in-depth case studies. The USAID-funded Health Policy Project assisted in developing the methodology for these case studies, which includes desk review of existing documents and qualitative interviews, and in conducting the case study for Bulgaria.

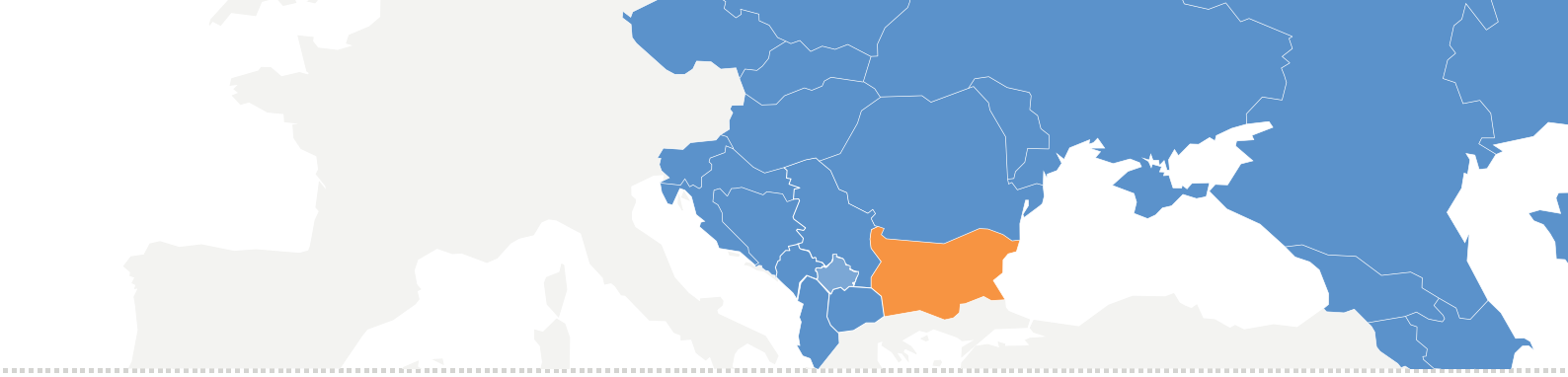
This case study was prepared by Catherine Barker, Health Technical Advisor under the USAID-funded Health Policy Project, between June and August 2015. The author collected and reviewed a range of background materials, including Global Fund grant documents, and supplemented this information with in-depth interviews with four representatives from civil society and the Global Fund in Bulgaria.

EHRN is grateful to all who contributed to this document and would like to express gratitude to the USAID-funded Health Policy Project for its support and assistance.

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Contact: Ivan Varentsov, Global Fund Advocacy Advisor, EHRN: ivan@harm-reduction.org

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Introduction

The Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund) has provided invaluable financial support to combating HIV and TB in Eastern Europe and Central Asia (EECA) since its creation in 2002. Across all programs from 2002 to 2012, the Global Fund allocated approximately \$1.8 billion to EECA.¹ A significant portion of this funding has gone toward reducing new HIV infections in key populations, particularly among people who inject drugs (PWID). From 2002 to 2009, the Global Fund allocated an estimated \$263 million for harm reduction programs in the region.²

In 2011, the Global Fund introduced new eligibility criteria for its support. According to this policy, high income countries (HICs) and upper middle income countries (UMICs) with moderate or low disease burden are ineligible for Global Fund support.³ The Global Fund has set an objective to strategically invest in the highest-impact countries in accordance with its 2012-2016 strategy. As a result of the application of the new Global Fund funding allocation methodology, the funding available for the EECA reduced by at least 15% from 2011-2014 to 2015-2017.⁴

Each year, fewer countries are eligible to receive Global Fund support. For example, 7 countries in EECA became ineligible to receive allocations for 11 disease components since 2010.⁵ Bulgaria is also no longer eligible to receive Global Fund support for its HIV program (only within “NGO rule”).⁶

With reductions in Global Fund support and lack of funding available from other donors, the EECA region now faces the challenge of raising domestic resources for these programs. The lack of transition and sustainability planning heightens the risk of countries losing the progress they have made over the last decade with Global Fund support. This case study examines the situation in Bulgaria and makes recommendations to the Global Fund, national governments, civil society, and other donors for easing the transition and safeguarding previous gains in HIV prevention in Bulgaria.

1 Presentation by Nicolas Cantau, Global Fund Regional Manager for EECA, entitled “Global Fund Support in ART Provision in EECA: Opportunities and Challenges.” Kiev, Ukraine: March 2013.

2 J. Bridge, B. Hunter, R. Atun, J. Lazarus. “Global Fund Investments in Harm Reduction from 2002 to 2009.” *International Journal of Drug Policy* (2012), doi:10.1016/j.drugpo.2012.01.013

3 Global Fund. “The Global Fund Eligibility and Counterpart Financing Policy.” The Global Fund 30th Board Meeting, doc. no. GF/B30/6, Nov. 2013.

4 Aidsplan. “The New Funding Model Allocations: An Aidsplan Analysis.” November 2014.

5 Ibid.

6 The Global Fund. “Eligibility List 2015.” Geneva, Switzerland. Available at: http://www.theglobalfund.org/en/fundingmodel/updates/2015-02-27_2015_Eligibility_list_for_2015_released/.



Background

Country context

Bulgaria, one of the poorest members of the European Union, is an upper middle income country with an estimated GNI per capita of US \$7,420. Bulgaria has had limited GDP growth since 2010, ranging from 0 to 2 percent per year. The country is also experiencing negative population growth of about 1 percent annually, the greatest of any EU member state.⁷ The percentage of government expenditure on health as of 2013 is 11.7 percent, virtually unchanged since 2010 (11.3%).

Bulgaria has experienced economic and political instability in recent years. Bulgaria has had three different governments within two years. Following the former Prime Minister Plamen Oresharski's resignation in August 2014, Bulgaria held a snap election in October 2014, resulting in a fragmented parliament comprised of eight political parties.⁸ Further, in June 2014, Bulgaria's fourth largest bank (Corporate Commercial Bank) collapsed, costing the government about US \$2 billion in compensation payouts.⁹

Health status and HIV

While Bulgaria has made progress in reducing under-five and maternal mortality since 1990, the rate of deaths due to HIV/AIDS has actually increased from 0.9 per 100,000 people in 2000 to 3.8 per 100,000 people in 2012.¹⁰ Bulgaria remains a low HIV prevalence country, but faces challenges with possible growth in concentrated epidemics that could spread to the general

population. PWID are disproportionately affected by HIV; HIV prevalence among PWID has increased from 0.6 percent in 2004 to 10.7 percent in 2012.¹¹

Harm reduction in Bulgaria

The first harm reduction programs in Bulgaria originated in the capital city of Sofia in the late 1990s, and have expanded to ten cities (Sofia, Plovdiv, Varna, Bourgas, Pleven, Blagoevgrad, Pazardjik, Pernik, Rouse and Kyustendil) as of 2013. Many NGOs work with PWID, providing a range of harm reduction services such as needle and syringe exchange programs (NSP), condom distribution; HIV, Hepatitis B and Hepatitis C testing, and other outreach activities. Opioid substitution therapy (OST) with methadone was introduced in Bulgaria in 1995. In 2013, 30 sites delivered OST to 3,563 clients in 14 cities and towns. NGOs provide psychosocial services for PWID, but OST services are only offered in health centers, hospitals, and other medical facilities. Despite expansion in the number of OST sites available in recent years, there are a limited number of slots available for PWID among OST providers.¹²

From 1998 to 2003, the Open Society Foundation primarily funded harm reduction activities. Following 2003, harm reduction was nearly entirely supported by the Global Fund. Bulgaria has performed well under its Global Fund HIV grant, and this support of HIV prevention and treatment has been critical in improving safe injection and sexual behavior indicators among PWID in Bulgaria.¹³ From 2004 to 2012, the percent of PWID who reported taking an HIV test and knowing its

7 The World Bank. "World Development Indicators: Bulgaria." Accessed August 2015. Available at: <http://data.worldbank.org/country/bulgaria>.

8 The Economist. "Bulgaria's election: More instability." October 6, 2014. Sofia, Bulgaria.

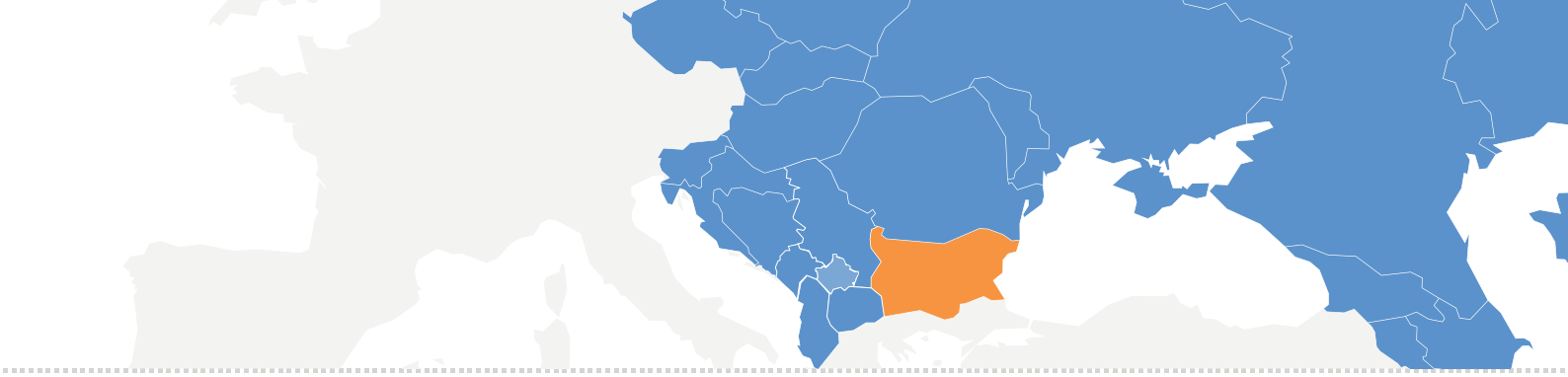
9 Reuters. "Bulgaria ends banking privacy after Corpbank collapse costs billions." June 25, 2015. Sofia, Bulgaria.

10 World Health Organization. "Bulgaria: WHO statistical profile." Accessed August 2015. Available at: <http://www.who.int/gho/countries/bgr.pdf?ua=1>.

11 Republic of Bulgaria. *Country Progress Report on Monitoring the 2013 Political Declaration on HIV/AIDS, the Dublin Declaration, and the Universal Access in the Health Sector Response*.

12 WHO. 2014. "How to improve Opioid Substitution Therapy implementation." Geneva, Switzerland.

13 Health Focus GMBH. *Mid-term Evaluation of the National Programme for Prevention and Control of HIV/AIDS and STIs in the Republic of Bulgaria 2013-2015*.



results increased from 17 to 62 percent. Safe injecting practices (17% to 76%) and condom use (40% to 58%) also increased among PWID during the same time period. However, Bulgaria still faces challenges in reaching PWID. The annual number of PWID reached through NGO-implemented HIV prevention programs has decreased from 8,090 to 7,326 from 2010 to 2013.¹⁴

Global Fund eligibility status for Global Fund HIV funding

One of the specific objectives under Bulgaria's *National Programme for Prevention and Control of HIV and STIs 2008-2015* was to create a supportive environment for a sustainable national response to HIV/AIDS in Bulgaria. Bulgaria funds approximately 73% of its HIV response, covering the cost of HIV testing and treatment. However, the country is still dependent on Global Fund support of HIV prevention activities, including those activities for key populations such as PWID.¹⁵

Bulgaria is technically eligible for funding under the Global Fund's NGO rule, which allows for non-governmental organizations in countries with political barriers to service provision to apply for Global Fund funding without CCM approval. However, following the 31st Board meeting which took place in March 2014, the Global Fund decided there was insufficient evidence of political barriers to implementing HIV prevention activities in-country. Therefore, Bulgaria was not allocated any HIV funding for the period 2014 – 2017 under the Global Fund new funding Model (NFM).

In response to this decision, Bulgaria requested a no-cost, one-year extension of its existing HIV prevention and control grant to allow for more time to mobilize resources from other funding sources. The Global Fund granted this extension, which will come to an end in December 2015.¹⁶

14 Republic of Bulgaria. *Country Progress Report on Monitoring the 2013 Political Declaration on HIV/AIDS, the Dublin Declaration, and the Universal Access in the Health Sector Response*.

15 Republic of Bulgaria. *Ibid*.

16 Aidsplan. "Global Fund Observer Newsletter, Issue 264." April 15, 2015.

17 Email from the Global Fund's Access to Funding Department, May 18, 2015.

Results

Funding for HIV prevention

Since 2003, the Global Fund has disbursed nearly \$48 million for HIV prevention and treatment in Bulgaria.¹⁷ The Bulgarian government estimates that from 2011 to 2013, the Global Fund funded approximately \$14 million of the \$36 million spent on HIV. Municipal governments and other international organizations funded just \$0.3 million during the same time frame (Fig. 1).¹⁸ Municipal governments contribute very little to the costs of harm reduction; they may pay for some rent and utilities costs, but are generally unwilling to support harm reduction commodity procurement, particularly procurement of needles and condoms.

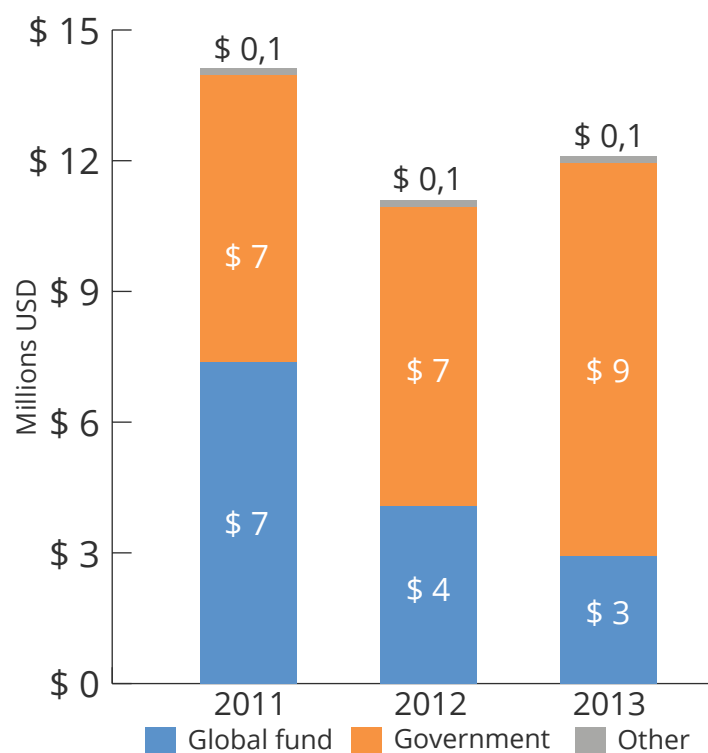
While the government partially funds opioid OST programs in Bulgaria, NSP is currently entirely supported by the Global Fund. The Ministry of Health, municipalities, and the Global Fund supported methadone programs for one-third of OST clients as of 2012, while the remaining two-thirds of clients primarily funded their treatment through monthly co-payment fees.¹⁹

Cumulative expenditure on the fourth objective of the Global Fund HIV grant, which aims to reduce HIV vulnerabilities of PWID by scaling up population coverage of a comprehensive package of prevention interventions, is \$5.6 million from 2004 to 2014, which accounts for approximately 12 percent of the total HIV expenditures during this timeframe. The majority of funding for PWID from 2009 to 2015 (62%) has been for PWID community outreach, including NSP. One-fifth of Global Fund support for HIV prevention among PWID from 2009 to 2015 was spent on OST, amounting to \$0.7 million.²⁰

17 The Global Fund. "Overview of Bulgaria." Accessed August 2015. Available at: <http://portfolio.theglobalfund.org/en/Country/Index/BGR>.

18 Republic of Bulgaria. *Country Progress Report on Monitoring the 2013 Political Declaration on HIV/AIDS, the Dublin Declaration, and the Universal Access in the Health Sector Response*.

Figure 1. Funding for HIV in Bulgaria by Source



There are some other donors that contribute to smaller, short-term harm reduction programming in Bulgaria. For example, European Economic Area Grants support harm reduction training among prison staff, and the Swiss fund harm reduction training for prison inmates in Sofia. Both of these projects provide \$0.3 million in funding to Bulgaria, but portions of this funding are allocated to bilateral partners or spent on other activities, such as conferences and bilateral exchange.

19 European Monitoring Centre for Drugs and Drug Addiction. "Drug treatment overview for Bulgaria." Available at: <http://www.emcdda.europa.eu/data/treatment-overviews/Bulgaria>.

20 The Global Fund. "Overview of Bulgaria." Accessed August 2015. Available at: <http://portfolio.theglobalfund.org/en/Country/Index/BGR>.



Transition Planning

Following December 2015, Bulgaria will no longer receive HIV funding from the Global Fund. As a result, all ten of the NGOs currently providing harm reduction services are at risk of having to discontinue services. The Ministry of Health and Global Fund have discussed a minimum requirement for domestic funding of HIV activities before the Global Fund withdraws. This minimum requirement is based on the Global Fund's Counterpart Financing requirement of 60% for UMICs, which Bulgaria meets due to government contributions to HIV testing and treatment. However, the government and the Global Fund have not discussed earmarked funding for HIV prevention activities, and the Ministry of Health planned to allocate just 100,000 leva (about \$0.06 million) to all HIV prevention activities annually for 2015, which is significantly less than the \$3.2 million provided by the Global Fund for HIV prevention in 2014.²¹ Further, there are no written commitments or guaranteed funding from the national or municipal governments or from other donors to specifically continue harm reduction services.

Until 2014, Bulgarian civil society groups did not attempt to collaborate and advocate domestic resource mobilization for harm reduction. Although the EU funds social and labor-related activities in Bulgaria, the government did not seek EU funds for harm reduction programs.²² This is partly due to harm reduction being viewed as a medical issue managed by the Ministry of Health rather than as a social issue. Bulgaria will also not be able to secure EU funding of harm reduction over the next five years as the current HIV program is expiring and harm reduction has not been explicitly mentioned in other sector strategies. European Commission funds cannot be leveraged, either, as this funding tends to

21 Email correspondence with Sandra Irbe, Bulgaria Fund Portfolio Manager for the Global Fund. 28 August 2015.

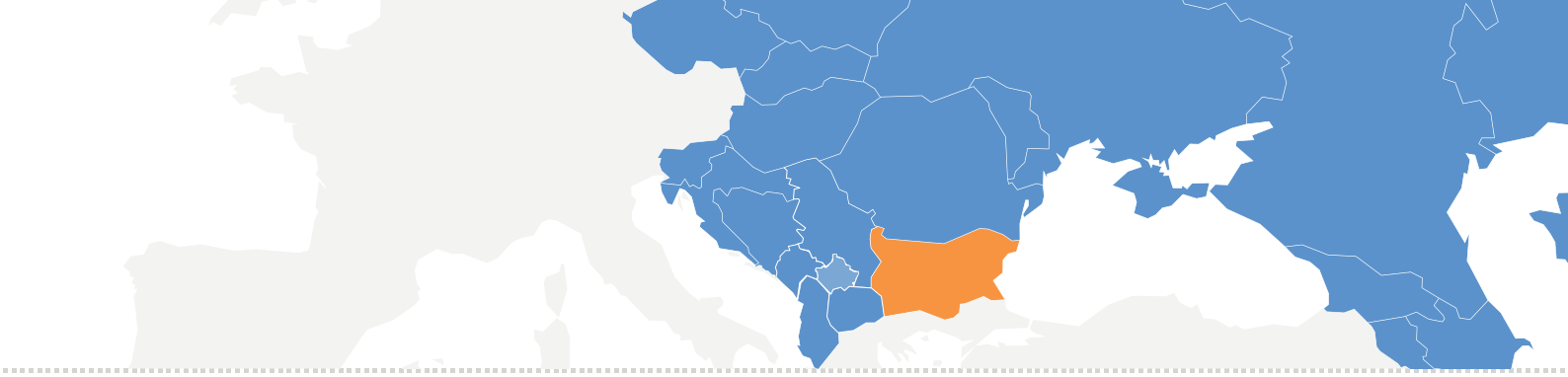
be for research rather than program implementation. Due to the absence of another large donor to replace the Global Fund, each of the NGOs currently providing harm reduction services are searching for their own individual funding sources to continue their service provision.

As Bulgaria grapples with funding transitions, it is also planning for its next five-year national HIV response. Although civil society was not adequately represented in formation of the previous strategy, NGOs now have significant representation on the technical working group charged with creating the National Program for Prevention and Control of HIV/AIDS and STI 2016-2020. The technical working group met at the end of July, 2015, formed sub-groups and started to draft the document. The Ministry of Health plans to develop and cost the plan before the national budget is voted on by the National Assembly in November or December. Harm reduction is anticipated to be a significant component of the strategy, in alignment with the previous strategy spanning 2009 to 2015.

Civil society advocacy

In an effort to raise awareness about the potential HIV funding crisis and present a united front on the issue, civil society groups in Bulgaria have formed an informal coalition. This coalition, comprised of 34 organizations, drafted a joint manifesto targeting the government in November 2014, issued a joint press release on the Global Fund's withdrawal of HIV funding, and advocated Parliament to increase budget allocations for HIV prevention activities, including harm reduction, in February 2015. Before Parliamentarians were briefed on these issues, many did not know Global Fund funding for HIV was coming to an end. This awareness raising resulted in 50 deputies across parliamentary parties

22 European Commission. 2014. "Summary of the Partnership Agreement for Bulgaria, 2014-2020." Brussels, Belgium. Available at: http://ec.europa.eu/contracts_grants/pa/partnership-agreement-bulgaria-summary_en.pdf.



declaring support for the Manifesto, which calls for urgent action by the government to fund HIV activities and maintain the services currently being provided.²³

Some NGOs within the coalition are more active than others. The Initiative for Health Foundation, for instance, has been successful in garnering financial resources from other sources besides the Global Fund and is working to introduce a safe drug use room in Sofia and NSP in prisons.

Threats to long-term sustainability

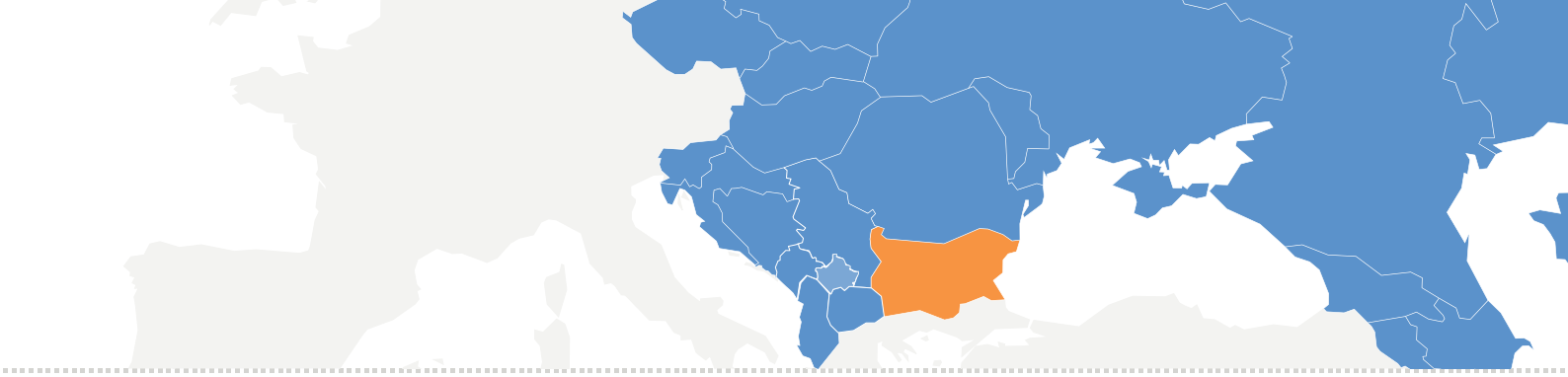
All interview participants agreed that the lack of funding for harm reduction remains the biggest threat to ensuring its sustainability. Despite harm reduction being mentioned in key policy and strategic documents and the coordinated advocacy effort among civil society groups, harm reduction is not a top political priority. Low political will is partly a result of the low HIV prevalence rate in Bulgaria, which decision-makers use as an excuse for not prioritizing HIV prevention activities.²⁴

Further, stigma and discrimination of PWID result in NGOs working with PWID having little power or political influence. Criminalization of drug use remains a barrier to implementing harm reduction programs in Bulgaria. It is particularly challenging for outreach activities, as PWID are unwilling to give outreach workers used NSP materials as this could be evidence of drug use and used to prosecute PWID. Bulgaria has faced the threat of increased criminalization of drug use in recent years. In January 2014, a new Criminal Code bill, which was introduced but not passed in Parliament, aimed to replace fines for minor possession with imprisonment.²⁵

23 Drug Reporter. "Make-or-break year in HIV prevention in Bulgaria: The 'Goodwill' campaign." March 17, 2015.

24 Eurasian Harm Reduction Network. 2015. "Situation Analysis of Sustainability Planning and Readiness for Responsible Transition from Global Fund's Support to National Funding in EECA."

25 Carney S. Bulgaria follows Hungary with harsher drug use penalties. [Online] 2014 Available from: <http://blogs.wsj.com/emergingEurope/2014/01/24/bulgaria-follows-hungary-with-harsher-drug-use-penalties/> [Accessed 10 August 2015].



Conclusions

Global Fund support of harm reduction programs in Bulgaria has been essential to the country's HIV response. However, HIV prevalence among PWID in Bulgaria has grown substantially over the last decade, and the Global Fund's sudden withdrawal of funding for HIV activities in-country threatens the sustainability of Bulgaria's HIV response.

Despite increased coordination in civil society advocacy for harm reduction and greater representation by civil society in planning the next HIV strategic plan, the government has not committed to providing sufficient resources for HIV prevention activities following Global Fund withdrawal. Since the National Program for Prevention and Control of HIV/AIDS and STI 2016-2020 still remains to be drafted, there is no transition plan in place or adequate resource needs estimate for harm reduction activities.



Recommendations

As Global Fund support to the EECA region decreases, it is critical to ensure the transition to domestic financing takes into consideration a country's readiness, willingness, and ability to assume greater responsibility for HIV and AIDS programming. The following is recommended to ensure successful and sustainable transitions in funding for harm reduction in Bulgaria:

1. The Global Fund should:

- a. Reconsider its decision that there is insufficient evidence of political barriers to implementing HIV prevention activities, as political will to fund harm reduction is low and Bulgaria is possibly expanding criminalization of drug use. Bulgaria would benefit from being eligible to receive funding under the NGO rule in future allocation periods.
- b. Establish a **transition plan** with clear expectations to ensure that sufficient resources are earmarked for HIV prevention activities following Global Fund withdrawal in December 2015.
- c. Establish a **safety net plan**. If sufficient funding cannot be met this year, the Global Fund needs to establish a mechanism to allow more time for adequate domestic resource mobilization.

2. The Ministry of Health should:

- a. Work with the Global Fund in its development of a transition plan, and ensure a variety of stakeholders, including civil society, are consulted.
- b. Integrate the agreed-upon transition plan into its National Program for Prevention and Control of HIV/AIDS and STI 2016-2020.
- c. Establish formal funding mechanisms for

NGOs to receive funding for harm reduction services. The current centralized system where NGOs receive funding from the Ministry of Health works relatively well, although there are significant delays in payments received.

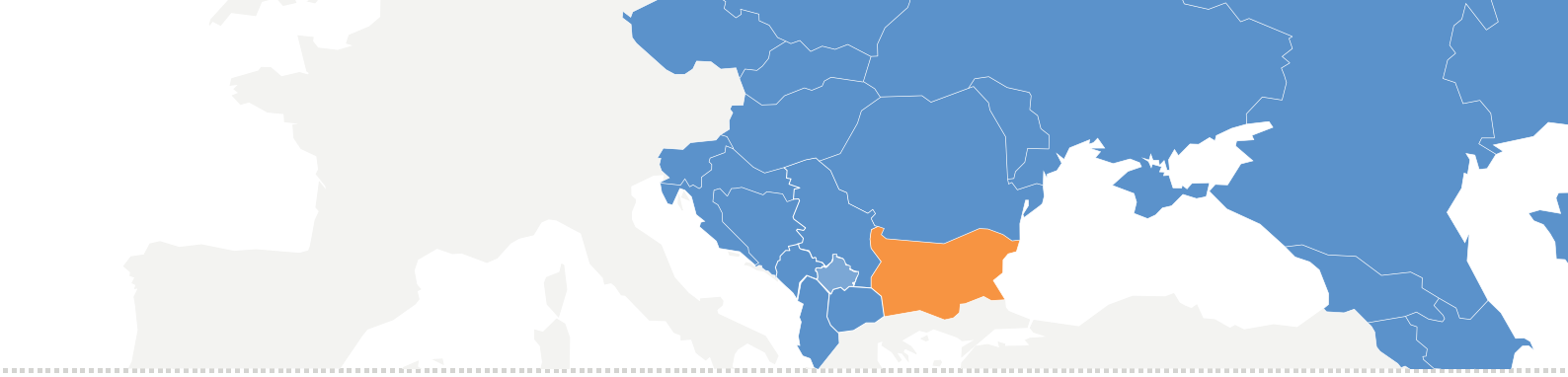
- d. Coordinate across ministries to bolster political and financial support of harm reduction programs. Although there has been dialogue in the past between the Ministry of Health and other ministries, there has not been agreement or a unified approach in support of harm reduction.

3. Civil society should:

- a. Use evidence in its advocacy for domestic funding of harm reduction programs. While it may be well understood that harm reduction is effective at preventing new HIV infections, there is a lack of data on the financial resources needed to continue harm reduction activities. Civil society groups estimate that roughly \$1 million is needed per year for HIV prevention activities; however, there are no specific or rigorously-derived estimates for harm reduction. By conducting or using these types of analyses, civil society can request specific funding levels from different sources.
- b. Include harm reduction in discussions surrounding universal health care coverage
- c. Formalize and strengthen the current coalition of NGOs advocating domestic resources for HIV prevention.
- d. Work with government and other stakeholders to track policy implementation and hold parties accountable for harm reduction financial commitments and program implementation.

4. Other recommendations:

- a. Global fund-supported harm reduction



programs may need to be integrated into other existing institutions that provide related services (e.g., the Red Cross) to ensure financial sustainability of the programs. Civil society should explore other potential funding sources, as well, including new co-funding opportunities.

- b. The EU should establish a specific funding mechanism for service provision funding crises. NGOs should not have to find 40 percent co-funding or go through cumbersome application processes with very low success rates to secure EU support of harm reduction service provision.



Eurasian Harm Reduction Network (EHRN) is a regional network of harm reduction programs and their allies from across 29 countries in the region of Central and Eastern Europe and Central Asia (CEECA). Together, we work to advocate for the universal human rights of people who use drugs, and to protect their lives and health.

The Network unites over 600 institutional and individual members, tapping into a wealth of regional best practices, expertise and resources in harm reduction, drug policy reform, HIV/AIDS, TB, HCV, and overdose prevention. As a regional network, EHRN plays a key role as a liaison between local, national and international organizations. EHRN ensures that regional needs receive appropriate representation in international and regional forums, and helps build capacity for service provision and advocacy at the national level. EHRN draws on international good practice models and on its knowledge about local realities to produce technical support tailored to regional experiences and needs. Finally, EHRN builds consensus among national organizations and drug user community groups, helping them to amplify their voices, exchange skills and join forces in advocacy campaigns.

BECOME AN EHRN MEMBER:

EHRN invites organizations and individuals to become part of the Network. Membership applications may be completed online at:

www.harm-reduction.org/become-a-member