



# **NATIONAL AIDS SPENDING ASSESSMENT (NASA) TERMS OF REFERENCE**

**COVER PAGE: NATIONAL AIDS SPENDING ASSESSMENT (NASA)  
2015/16 – 2017/18**

**COUNTRY NAME: LESOTHO**

**LEAD AGENCY NAME: NATIONAL AIDS COMMISSION**

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## 1. INTRODUCTION

### 1.1. Lesotho's HIV and AIDS Response and Policy Framework

Lesotho is heavily affected by the HIV epidemic, with a prevalence of 24.3% in adults aged 15 – 49 years; higher in females at 29.7% compared to males at 19.1% in 2017. The highest prevalence is in females aged 35 to 39 at 49.9% and males aged 40-44 years at 46.9%. Variances in prevalence between males and females are most marked between adults aged 20 to 24 years; where prevalence is four times higher in females (16.7%) compared to males in the same age group (4.0%). HIV incidence was also high in 2017, found to be 1.55% in the same age group; 1.81% in females and 1.33% in males (LePHIA, 2017). All 10 districts of Lesotho have high HIV prevalence, ranging from 17.8% to 29.3%, with the five lowland districts with higher population density and stronger economic activities accounting for an estimated 75% of all people living with HIV.

HIV prevalence is also higher in female sex workers (FSW), men having sex with men (MSM), factory workers and prison populations. Though the main mode of transmission is heterosexual contact, the root causes driving the epidemic are socio-cultural and economic in nature. In a 2017 HIV Epidemic Analysis using the Incidence Patterns Model (Avenir Health, 2018) and using 2014 DHS data, most of new HIV infections in Lesotho were estimated to occur in the general population; with close to 70% of all new infections found in never married females, never married uncircumcised males, and sero-discordant couples with the male as the HIV positive partner. Only a small percentage (7%) of new infections were estimated to occur in FSWs and MSM because of the relative population sizes of these groups, although their HIV prevalence is higher than that in the general population.

HIV is the main driver of Lesotho's twin epidemic of Tuberculosis, while TB is a leading cause of comorbidity and deaths among people living with HIV. The country ranks high in TB-HIV comorbidity with a co-infection rate of 72%, the world's second highest HIV prevalence and fourth highest severity of TB burden. Among HIV-positive adults ages 15 to 59 years viral load suppression (VLS) rates have risen from less than 45% in 2011 to 67.6% in 2017; 70.5% in females and 63.4% in males, with highest rates of suppression in older people aged 45 to 59 years (80.3% in females and 81.4% in males). In contrast, suppression is lowest in younger people; 50.9% in females aged 15 to 24 years and 46.1% in males aged 25 to 34 years (LePHIA, 2017).

Lesotho's HIV response is guided by the National HIV and AIDS Strategic Plan, of which a new one covering the period 2018 to 2023 has recently been drafted. In the NSP (2011 – 2018), Lesotho adopted the 90–90–90 targets. By the end of 2017, 77.2% adults (15 - 59 years) living with HIV reported knowing their HIV status, of which 90.2% reported current use of ART and of these 88.2% were virally suppressed. The introduction of ART in the early 2000's and the adoption of test and treat strategy have had a direct effect on AIDS related deaths, from a peak of 12,000 deaths in 2005 to the current 5,000 deaths in 2017 (HIV Estimates and Projections 2018). Against a target of 50%, the country did not achieve its prevention target with a reduction in HIV incidence of 22%, from 18,870 new infections in 2007 to 14,706 in 2017. The scope of the response was found to be inadequate to address the diverse sources and drivers of the epidemic. Significant portions of the population were left grappling with one or another driver. (Grant Performance Reports, Multi-Stakeholder Review; Prevention Assessment, 2017)

Within the new NSP (2018 – 2023), the country commits to Ending AIDS by 2030; with an expanded treatment programme to reach the 95-95-95 targets. The emphasis in the strategy is on people-centred responses; with differentiated service delivery models to meet the needs of target populations. To galvanize political commitment and build strong partnerships to scale-

up combination HIV prevention, the country signed up to and adapted the “HIV Prevention 2020 Road Map for Accelerating HIV prevention to reduce new infections by 75%”. The strategic shift to reach this prevention target is reflected in the new NSP; with a pronounced emphasis on locations and populations most affected and at risk; scaling up of recent HIV innovations like PrEP; strengthened integration of SRHR, HIV and GBV services; and differentiated combination prevention that meets the peculiar needs of those most affected and being left behind in the response.

### 1.2. Tracking the Expenditure on HIV and AIDS in Lesotho

Lesotho has done two rounds of National AIDS Spending Assessments (NASA); one end of 2007/early 2008 and covering the financial years of 2005/6 to 2007/8 and another end of 2009/early 2010 covering the financial years of 2008/9 to 2009/10. During these periods, annual HIV spending more than tripled from M257.43 million (approximately US\$43million) in 2005/6 to M813 million (approximately US\$95million) in 2009/10.

External financing accounted for 60% of all HIV expenditure during 2005/06 – 2007/08. Public funds constituted 38% of the total HIV and AIDS expenditure, while private sources of funding accounted for only 2%. In the 2008/9 to 2009/10 NASA, contribution in HIV and AIDS from international sources were lower than in the previous NASA but increased between the two financial years increasing from 43% in 2008/09 to 51% in 2009/10. Spending from public source increased from M355.06 million in 2008/09 to M401.52 million in 2009/10.

Currently it is estimated that more than 60% of HIV financing is from external sources, mainly PEPFAR and the Global Fund. Lesotho is one of PEPFAR’s priority countries and COP 18 aims to achieve 95-95-95 targets and achieve epidemic control. Allocations in the past three years under COP 16, 17 and 18 were \$62,765,592; \$80,418,701 and \$85,700,575 respectively. Since 2004, the Global Fund has committed US\$ 243.3 million of which US\$220.4 million has been disbursed. Over 83% is for HIV, and the remaining for TB /HIV activities. The Global Fund grants which ended in June 2018 were for a total value of US\$ 64.4 million. The new 3-year programme continuation which started in July 2018 is for an amount of US\$66.3 million.

The country had made tremendous progress towards achieving the Abuja target with national allocation to the health budget reaching 14% in 2014. However, budget austerity led to a decline with the health allocation now at 12%.

The new National HIV Strategic Plan (2018 – 2023) was costed using the Resource Needs Modelling. During the five years between 2018 and 2023, Lesotho will require \$ 1.1 Billion US Dollars for the entire HIV response. This includes \$ 188 M required during 2018/19; \$204 M in 2019/20; \$ 218 M in 2020/21; \$ 227 M in 2021/2022 and \$236 M in 2022/2023. Resources needed will grow marginally by 8% and 7% between 2020 and 2021, and then grow on a reducing scale, at 4% from 2022.

The multi-sectoral approach in the national HIV response without efficient and effective central coordination leads to an uncoordinated and fragmented response. It is therefore imperative that national HIV responses routinely track HIV expenditures to determine if funding is directed to the most need, helping to reduce duplications and increase efficiencies.

### 1.3. NASA overview

NASA is a comprehensive and systematic methodology to track the flow of resources for the AIDS response from the funding source through the different agents to the beneficiaries. NASA addresses the concerns of the international community and national decision makers to track the degree of effectiveness of the HIV efforts to increase overall resource availability and allocation.

The NASA resource tracking algorithm is designed to describe financial flows and expenditures using the same categories in the global resource needs estimation. It has been designed as a core-tracking tool without substituting for other methods and tools already in use. The NASA framework is based on standardized methods, accepted definitions and globally accepted and available accounting procedures for National Accounts (NA), National AIDS Accounts (NAA), National Health Accounts (NHA), and AIDS Budget Analysis.

NASA therefore generates useful information to assist with the planning and financing of HIV services and can be used to measure the potential financial gap and thus to mobilize for additional resources. It is a very powerful tool for policy makers and all actors involved in the HIV response, including governments, donors, persons affected by HIV and civil society more broadly. NASA provides useful insights on the extent of harmonization and alignment of the resource envelope to the programmatic priorities. This is particularly important when future HIV funding is threatened by competing global priorities and the economic down turn while expectations to achieve more remain high.

#### **1.4. Lead / Coordinating Agency**

The National AIDS Commission (NAC) re-established under the Office of the Prime Minister in 2015/2016, has the overall legal mandate for coordinating the national response to HIV through implementation of the National HIV Strategic Plan. It exercises this mandate in partnership with other stakeholders through a multisectoral and decentralized framework. These include the Ministry of Health, Ministry of Local Government and Chieftainship and other non-state/ sectoral lead partners. Due to its mandate, NAC will lead in the implementation of the NASA, working closely with the Ministry of Health – Planning and Disease Control Departments in particular.

#### **1.5. Research Team undertaking the NASA**

NASA will be implemented by a research team, led by a Lead International Consultant. The team will be composed of a Lead International Consultant (international), local consultant, research assistants (5-8).

## **2. SCOPE, OBJECTIVES AND DELIVERABLES FOR THE NASA IN LESOTHO**

### **2.1. Scope of the NASA**

The NASA will cover the periods from 2015/16 – 2017/18 and will focus on domestic (only public) and external sources of financing. The assessment will be done at the national level, with district expenditures also estimated. The currency to be used for the report will be the Lesotho Loti.

### **2.2. NASA Objectives**

The primary objective for this project is to collect data on HIV expenditures in Lesotho from 2015/16 to 2017/18 using the National AIDS Spending Assessment methodology.

Specific objectives are:

1. Implement a methodology for systematic monitoring of HIV financial flows at national and district level using the NASA methodology in Lesotho;
2. To adapt the NASA methodology, classification and tools to the Lesotho context;
3. Build national level capacity for systematic monitoring of HIV and AIDS financing flows using the NASA methodology, with a view to a yearly, fully-institutionalized NASA.
4. To conduct an HIV spending assessment focusing on public and external partner resources and including some of the larger businesses known to be contributing to HIV activities.

5. To identify the flow of resources for HIV by source, functions, service provider and beneficiary populations.
6. To prepare a report of expenditure trends that will contribute to efficient allocation of resources as per defined resource needs in the National HIV Strategic Plan (2018 – 2023).

The NASA should address the following policy questions:

- Detailed description of financing flows by each of the key programmes areas (e.g. ART, or prevention for key populations etc.).
- How sustainable or donor dependent are the financing sources for specific key programmes?
- Have the government investments changed in what they finance (i.e. comparability with prior exercises)?
  - Do they finance human resources for some programmes but not all?
  - Are government funds distributed equally across all core programmes?
  - Is there a concentration of resources from a given source in selected services, production factors, beneficiaries, or providers of services?
- What is the expenditure per unit (or unit cost) per key service and variations across districts, providers, funders or managers of the funds?
- Are there different patterns of production factors explaining variation in the expenditure per unit? (entry point to technical efficiency analysis)
- How is the allocation of funds as related to the burden of disease or to new HIV infections for each district? Are services for populations with lower HIV prevalence financed? If so, who is making such decisions, e.g. the funders –FS- or the providers? (entry points for allocative efficiency analysis)
- Are there any noticeable changes in the financing flows and expenditures in the years since the NASAs started? Are they explained by a policy change? Have the results from previous NASA influenced any decisions made?

### 2.3. Key Deliverables

- i. Comprehensive NASA report technically validated by stakeholders including:
  - ✓ Description of the expenditures.
  - ✓ Description of the steps & methods of the assessment.
  - ✓ The list of contacted institutions and contact persons.
  - ✓ Clear description of assumptions and limitations of the data collection and data process.
  - ✓ Recommendations for further assessments and eventual institutionalization of NASA in the country.
  - ✓ Annexes including: data collection tool and the minimum sub-set of NASA tables, with regional disaggregation.
  - ✓ Soft copy of all files used during data collection and data process.
- ii. A minimum sub-set of agreed tables (soft copies), including health and non-health activities.
- iii. A PowerPoint presentation containing main finding and results.
- iv. The complete Global AIDS Monitoring (GAM) financial matrix.

## 3. METHODOLOGY AND PHASES

The NASA methodology, as promoted by UNAIDS, will be applied, with primary collection of expenditure data from service providers and sources of funding. Where expenditure data are missing, costing methods may have to be applied, for example, for the in-hospital treatment of

opportunistic infections. The most logical estimation approach will be applied, based on available data.

NASA implementation will occur in the following four phases, with the key role-players identified:

### 3.1. Planning, Mapping of Actors and Capacity Building

- a) Awareness raising with key national HIV response stakeholders such as government ministries, development partners, private sector and civil society – *NAC and UNAIDS*.
- b) Establishment of a NASA task team comprising NAC, relevant government ministries, civil society and development partners – *NAC and UNAIDS*.
- c) Preparation of letters to institutions requesting access to financial expenditure records, as well as the required letters of permission to access provinces, districts, health facilities etc. – *NAC*
- d) Identification and recruitment of consultants and research assistants – *NAC, UNAIDS and NASA Task Team*
- e) Undertake a mapping of all actors involved in the HIV response in Lesotho at national and districts levels – *NAC, UNAIDS, NASA Task Team and Lead International Consultant*.
- f) Training of NAC, MoH, government officials, other relevant stakeholders and the local consultant and research team on NASA principles and methodology – *Lead International Consultant*
- g) Review and adjust the NASA data collection tools – *Lead International Consultant and Research Team*
- h) Plan for data collection – *Lead International Consultant and Research Team, NAC, MoH and UNAIDS*.

### 3.2. Sampling and Data Collection

- a) The *Lead International Consultant* will lead and undertake the data collection, with the local consultant and research team, to ensure the correct application of the tools and quality of the data collected.
- b) The mapping of all actors, at national and district levels, will provide the sampling frame, from which most respondents will be included, time and resources permitting.
- c) If a full survey of all service providers cannot be undertaken, then those with the largest portfolio of services and expenditure, will be purposively sampled, to ensure that approximately 80% of all the HIV expenditure in the country will be captured.
- d) The NASA data collection tools for Sources, Agents and Service Providers shall be applied through face-to-face interviews which require greater financial and time resources. Self-administered questionnaires render poor quality data and may not be suitable.

### 3.3. Data Processing and Quality Control

- a) Data processing will occur in the field – the collected data will be checked, cleaned and validated, before entry into the NASA Resource Tracking Tool (RTT).
- b) The field supervisors will check the capturing of all the transactions by all the data collectors.
- c) During data processing, the transactions will be traced by cross-checking the data collected from multiple sources, agents and providers. This process will carefully and methodically eliminate any potential double-counting of resources and ensure that each transaction has all the vectors labeled correctly. The RTT control board indicates where there are discrepancies that need to be adjusted/ fixed.

### 3.4. Data Analysis, Validation and Report Writing

- a) This phase will focus on data entry, analysis, triangulation and report writing – all to be undertaken by the research team.

- b) Data will be entered into MS Excel and then exported to the NASA RTT once triangulated and verified.
- c) The Lead International Consultant will undertake the analysis and prepare the presentation of the findings, in PowerPoint at first.
- d) A stakeholder meeting will be convened to validate the preliminary findings (presented in PowerPoint first), where the results are presented with a clear explanation of the methods applied and how the results may be interpreted or used.
- e) Thereafter, any omissions or errors will be addressed before the technical report can be drafted.
- f) The draft report will be submitted to NAC, UNAIDS, Government Officials, development partners and other key actors for comments and suggestions before submission of final report.

#### 4. ROLES AND RESPONSIBILITIES

The roles and responsibilities shall be split as follows:

- ✓ The Lead International Consultant will provide overall project management and co-ordination, ensuring sound NASA principles, tools and processes are adhered to, providing quality control, trouble shooting and technical support, so as to ensure the sound delivery of the project. The lead international consultant will analyse and produce the reports
- ✓ The Local Consultant will manage mainly the field work and supervise the research assistants. S/he will maintain quality in data collection, cleaning and capturing and providing quality control, trouble shooting and technical support, so as to ensure the sound delivery of the projects
- ✓ NAC, MoH, UNAIDS and NASA Task Team will provide guidance and oversight of the project, as well as support the in-country coordination. NAC will be responsible for raising awareness of the project and data requirements, convening of the stakeholder meetings, providing letters of introduction and permissions for the data collectors, and encouraging all stakeholders to share their expenditure data in a timely manner.
- ✓ UNAIDS will provide in-country technical support, ensuring the research team delivers upon its contractual obligations, and providing suggestions for the selection of the Lead International Consultant and research team. The UNAIDS NASA technical support persons shall ensure standardization of the NASA application and quality control, as far as possible.

#### 5. SKILLS AND EXPERIENCE OF THE RESEARCH TEAM

##### ***Lead International Consultant:***

A post graduate degree in Economics, Health Economics, Accounting or Social Sciences with a proven track record in managing large research projects, ensuring sound research processes in data collection and analysis, in the field of HIV and with proven experience in applying the NASA approach

Preferred Skills and Experience:

- Demonstrated mix of technical skills necessary for public health finance, health economics and governance including analysis of financial accounting frameworks and legislations used in the country.

- Experience and good knowledge of strategic and operational planning, including resource allocation, monitoring and evaluation.
- Experience in costing of services (health and non-health).
- Strong background in research methods and experience in the design, conduct and analysis of research studies (quantitative and /or qualitative).
- Proven track record of database design, programming and use of statistical analysis.
- Sound management, communication and interpersonal skills.
- Strong report writing skills in English.

***Local Consultant:***

A post graduate degree in Economics, Health Economics, Accounting or Social Sciences with a proven track record in managing large research projects, ensuring sound research processes in data collection and analysis, preferably in the field of HIV and with experience in applying the NASA approach or similar.

**Preferred Skills and Experience:**

- Sound Knowledge of HIV/AIDS policy and service provision/ programmes / acronyms in Lesotho;
- Experience in the NASA method, or the National Health Accounts (NHA/SHA) approach or other Resource Tracking methods;
- Strong background in research methods and experience in the design, conduct, management and analysis of research and data collection processes;
- Experience in managing a team of data collectors for country-wide research products;
- Sound management, analysis, reporting and presentation skills;
- Excellent Excel ® skills.

***Local Research Assistants:***

Masters students or completed Undergraduate Studies in Economics, Accounting, Social Sciences or Health Economics with experience in research data collection, interviewing, cleaning and capturing data.

**Preferred Skills and Experience:**

- Knowledge of HIV/AIDS policy and service provision/programmes in Lesotho;
- Understanding of basic economic and accounting terms and practices;
- Experience in undertaking research data collection: setting up appointments, holding interviews, obtaining required data, cleaning and capturing the data correctly and comprehensively;
- Good working knowledge of Word and Excel;
- Capacity to work in a team, and report regularly to Team Leader.

## **6. TIMEFRAMES AND LEVEL OF EFFORT**

A detailed workplan will be drafted with the lead international consultant. The exercise will initiate in December 2018, with a final report submitted by end of April 2019.

The level of effort for each is provided below:

- Lead International Consultant – 50 days
- Local Consultant – 30 days
- Local Research Assistants – based on completed questionnaires

## **7. CONTACT PERSONS**

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