



Executive Summary

Controlling HIV/AIDS and tuberculosis is a corporate priority of the World Bank Group. This Regional Support Strategy translates the Bank's corporate commitment into an agenda for action in the Eastern Europe and Central Asia Region. Its objectives are to provide a unifying framework for the Bank's work as part of international efforts to control the growing problem of HIV/AIDS and tuberculosis in the region; to clarify options for integrating effective interventions against HIV/AIDS and tuberculosis into the broader agenda of poverty reduction and economic development; to identify the main barriers limiting the effectiveness of HIV/AIDS and tuberculosis control efforts and actions to reduce them; and to define the short- to medium-term priorities for the World Bank's work in Eastern Europe and Central Asia, with emphasis on the institution's comparative advantages.

The Problem and the Context

The Eastern Europe and Central Asia Region is experiencing the world's fastest-growing HIV/AIDS epidemic (UNAIDS/WHO 2002). In 2002 there were an estimated 250,000 new infections in the region, bringing to 1.2 million the number of people living with HIV/AIDS. The vast majority of these reported infections are

among young people, chiefly injecting drug users (UNAIDS 2002d). The predominant role of injecting drug users in Eastern Europe and Central Asia distinguishes this epidemic from that in most other regions.

Reported new cases of HIV are rising sharply in parts of the Newly Independent States (NIS), including the Baltic and Caucasus subregions. In contrast, the pattern is less ominous in Central Europe. Prevalence remains low in the Czech Republic, Hungary, Poland, and Slovenia.

Tuberculosis is one of the most common opportunistic infections in people with HIV/AIDS. The bacteria that cause tuberculosis take advantage of the weakening of the body's immune defenses that occurs due to HIV infection. HIV also drives the tuberculosis epidemic, particularly in highly affected areas, by promoting progression to active tuberculosis in people who recently acquired the disease and those who have latent tuberculosis infections (WHO 2002f).

Rationale for Action

An uncontrolled HIV/AIDS epidemic could have devastating consequences on health and development in Eastern Europe and Central Asia. Inaction is not an option. Fortunately, global experience shows that early and effective action can limit the spread of HIV/AIDS, as it has in Brazil and Thailand.

A generalized HIV/AIDS epidemic among economically active age groups could have the following impacts in Eastern Europe and Central Asia:

- Annual economic growth rates could decline by 0.5–1.0 percentage points.
- Health expenditures from activities related to caring for people with HIV/AIDS could increase by 1–3 percent.
- The dependency ratio could rise, putting a strain on social protection systems, especially in countries already experiencing

declining total fertility rates, such as Belarus, Estonia, Moldova, and the Russian Federation.

- Household size and composition could change. The number of single-parent households and households managed by the elderly in which grandparents take care of AIDS orphans could increase. The trend could exacerbate the vulnerability of households, with negative intergenerational effects, as children are forced to drop out of school to work or take care of siblings, reinforcing the “poverty trap.”

Estimation of the costs and benefits of prevention programs from selected Eastern European and Central Asian countries shows that the benefits associated with prevention programs clearly outweigh the program costs.

Adult prevalence rates for HIV vary across the region (see table 1). Estonia, the Russian Federation, and Ukraine had the highest adult prevalence rates as of the end of 2001. Countries in the region also vary in terms of income, dependence on foreign aid, and the local human capacity for tackling the epidemic. These differences suggest that while a regionwide perspective is important for identifying major issues and articulating a unifying framework for World Bank support, more detailed analyses at the country level are required to identify the most pressing local needs and the most suitable instruments for assistance at the country and subregional levels. In many middle-income countries, the World Bank’s role as a financier is less significant than it is in low-income countries. Influencing policies in favor of effective interventions and using limited World Bank financing to leverage other resources can be more important than grants, credits, or loans.

Structural and Behavioral Factors Affecting the Epidemic

Structural factors increase the vulnerability of groups of people to HIV infection. Behavioral factors determine the chances that individuals will become infected. Risk is defined in this context as a probability, not a moral judgment.

Groups of people at the highest risk of transmitting or becoming infected with the virus are known as “high-risk core transmitters.” In Eastern Europe and Central Asia, these are mostly injecting drug users, mobile populations, and commercial sex workers. These people in turn interact with other subgroups, known as “bridge populations”—typically the sex partners of injecting drug users and the clients of commercial sex workers. Eventually, the epidemic may spill into the general population. Everyone is thus at some risk, but certain subgroups are at much higher risk than others. There is therefore a compelling case for reducing vulnerability and supporting targeted, nonstigmatizing prevention programs on a scale that is larger than most current pilot projects. Interrupting HIV transmission among high-risk core transmitters and bridge populations is crucial if the countries of Eastern Europe and Central Asia are to avert generalized epidemics.

Structural factors that influence HIV transmission are deep-seated and complex. In the medium or long term, they can be addressed through sustained, pro-poor economic growth; poverty-reduction policies and programs; control of drug trafficking; effective judicial reforms to reduce overcrowding in prisons; improvement of employment opportunities for young adults; curtailment of human trafficking; and improvement of the public health infrastructure to support testing, counseling, tuberculosis control, and other population-based approaches to HIV/AIDS and tuberculosis.

Behavioral (risk) factors are more amenable to short- and medium-term actions. These include policy support for effective interventions aimed at reducing the risk of becoming infected, improved surveillance as a basis for effective interventions against HIV/AIDS, mass communication efforts to improve awareness of HIV/AIDS among the general population, and large-scale prevention programs. Treatment programs that are carefully designed to prevent or minimize the emergence of drug-resistant forms of the tuberculosis bacteria and HIV are also needed.

Immediate Priorities for Action

The World Bank's support for HIV/AIDS control in the region revolves around two questions: what priorities to focus on and how best to approach them.

Priorities

Raising Political and Social Commitment. Efforts to control the HIV/AIDS and tuberculosis epidemics require high-level political commitment to reduce the stigma associated with HIV infection, to support possibly controversial programs for HIV prevention among injecting drug users and commercial sex workers, and to support local interventions and collaborations with civil society and the private sector. Multiple sectors and line ministries have roles to play in designing and implementing effective programs.

Generating and Using Essential Information. Much of the Bank's support in this area will be provided through analytical and advisory services undertaken in collaboration with countries and partner institutions. Cross-cutting instruments such as Country Assistance Strategies, Poverty Assessments, Development Policy Reviews, Public Expenditure Reviews, and Medium-Term Expenditure Frameworks will provide opportunities for mainstreaming policy discussions on HIV/AIDS and tuberculosis control. Emphasis would be on helping countries generate information on the status and dynamics of HIV/AIDS and apply it to their programs; identifying interventions that yield the most value in terms of preventing new infections, caring for those already infected, and mitigating the impacts of the epidemic; identifying the optimal roles of the public sector, civil society, and the private sector in controlling HIV/AIDS; and estimating resource requirements for HIV/AIDS programs and assessing the sustainability, from all sources, of such programs.

- *Estimating the Economic and Social Impacts of HIV/AIDS and Tuberculosis.* Within the Bank the Poverty Reduction and Economic Management Network (PREM) and Development Economics (DEC) Vice Presidency have roles to play in developing estimates and projections of the likely impact of HIV/AIDS on economic growth, poverty, and social inequalities in Eastern Europe and Central Asia. These estimates and projections can be used in discussions with ministries of finance, economy, and trade to enlist their support. Recent experience in the Russian Federation demonstrates that when such estimates and projections are linked to policy dialogue, they have the potential to influence thinking at high levels (Ruehl, Pokrovsky, and Vinogradov 2002) (see box D1).
- *Improving Surveillance.* Surveillance is the methodical collection of data on the level, distribution, and trends of disease occurrence and its determinants, with a view to enabling and increasing the effectiveness of the design, implementation, and evaluation of disease control programs. Both serological and behavioral surveillance are weak in most Eastern European and Central Asian countries, and HIV/AIDS programs are based on information that is neither appropriate to the highest-risk groups nor reliable as a general population estimator. Currently, they neither support program planning nor help define the dynamics of the epidemic in the region.

The Bank regards surveillance as a crucial part of HIV/AIDS control. It can support the development or improvement of such systems in every country in the region through, or in collaboration with, the World Health Organization (WHO), the UNAIDS Secretariat, and local and international research institutions and technical networks. Surveillance is so important that the Bank regards it as part of its operational imperative in Eastern Europe and Central Asia. As a result, parts of such work could be supported through analytical and advisory services to be financed from the Bank's operational budget or as part of lending operations. The Bank will finance operations in HIV/AIDS and tuberculosis control only if they include surveillance (among other technical elements), unless the client country has

established a surveillance system or secured alternative sources of finance to establish or strengthen such a system.

- *Getting the Most Value for the Money.* Even with the increasing availability of international grants, credits, and loans, countries have finite organizational resources to commit to HIV/AIDS programs. Priorities need to be set to ensure that they get the maximum benefit from scarce resources allocated to HIV/AIDS programs.

Even when policymakers declare their intentions to do everything, choices must be made—the only question is whether those choices are explicit or implicit. Implicit choices are more convenient from a political perspective, since they raise no questions about tradeoffs or relative emphasis. However, fighting an HIV/AIDS epidemic, particularly a concentrated epidemic with low prevalence rates, requires effective prevention, which means averting the largest possible number of new infections within resource constraints. Evidence from the region on the effectiveness and cost-effectiveness of HIV prevention interventions is scant, making it difficult for analysts to make the case for large-scale programs financed from public budgets. To ensure that resources are used effectively and efficiently, policymakers need to ensure that negotiated priorities are informed by valid data. The World Bank will provide analytical and advisory services to help countries address these issues.

- *Estimating Resource Requirements.* Estimates of resource requirements for HIV/AIDS and tuberculosis programs have the potential to improve program planning and strengthen advocacy for better funding. These estimates need to be refined and updated periodically (see annex E). The Bank will continue to work with countries and the UNAIDS Secretariat to update these estimates and to apply them to program planning and management at the country level.

Preventing HIV and Tuberculosis Infections

Prevention of HIV is the ultimate priority for the Bank's work on HIV/AIDS in Eastern Europe and Central Asia. Based on global

and local knowledge, the Bank will help countries develop and implement interventions most likely to have the greatest impact in preventing new infections. For policy and technical intervention, the Bank will work through or with partner agencies with technical expertise or appropriate institutional mandates.

The highest-priority interventions include the following:

- *Increasing blood safety.* The transfusion of contaminated blood or blood products is an efficient way of spreading HIV. Fortunately, it is possible to block this source of transmission. The Bank will help countries strengthen their blood safety programs to include screening of donors before they donate, laboratory screening of donated blood, and a move to a fully voluntary system of blood donation.
- *Promoting harm reduction.* Harm reduction refers to a group of interventions designed to reduce or eliminate the risk of HIV transmission to or from people engaging in behaviors that put them at higher risk than most others in the population. It includes the promotion of legal backing for such programs (decriminalization). Specific interventions include voluntary counseling and testing, needle exchange, and drug dependency treatment and rehabilitation. Since young people are among the most severely affected in Eastern Europe and Central Asia, harm reduction will have a relatively large effect in preventing infections among them.
- *Promoting interventions with commercial sex workers and their clients.* Commercial sex workers are among the high-risk core transmitters; their clients are among the “bridge” populations that can spread the virus to the general population. Wherever possible, the Bank will, upon request, support interventions aimed at these groups. These interventions include serological and behavioral surveillance, voluntary counseling and testing, peer education, diagnosis and treatment of sexually transmitted infections, and the promotion of consistent condom use by commercial sex workers and their clients.
- *Promoting interventions with prison inmates and ex-inmates.* The Bank will encourage the development of programs that sustain

treatment of tuberculosis among inmates and ex-inmates. In some cases, such programs may require social services (as many inmates lose their rights to social program support), as well as close cooperation between ministries of justice and ministries of health. Such cooperation is challenging, but without a special approach to prison populations, the HIV and tuberculosis problem in prisons may continue to worsen.

Ensuring Sustainable Care of Good Quality

Medical treatment and psychosocial support are essential parts of care and support for people with HIV/AIDS. The range of services includes treatment and follow-up of sexually transmitted infections and opportunistic infections, palliative care to relieve pain and discomfort, and highly active antiretroviral therapy (HAART). Access to low-priced antiretrovirals has dominated the international debate on HAART. But good-quality and long-term sustained care is more complex than simply ensuring access to low-priced antiretroviral medications. Effective treatment requires that scientifically sound protocols and drug combinations be used and that patients comply with prescribed regimens. It also requires that doctors and nurses be trained and have the skills to monitor patients for adverse reactions and change their drug regimen as appropriate. Effective use of HAART requires laboratories that are well equipped to monitor changes in the patient's immune system and detect the emergence of drug-resistant forms of HIV. There is a strong public health rationale for minimizing the emergence of drug-resistant HIV. The World Bank will finance the procurement of antiretroviral drugs in Eastern Europe and Central Asia only if treatment protocols are subject to international peer review and there is prior or concurrent development of health systems to ensure their appropriate use, including the laboratory capacity and skills to support HAART. There is an urgent need for estimates and projections of incremental resource requirements for HAART in local settings and attention to the sustainability of such programs.

Controlling a Dual Tuberculosis–HIV Epidemic

The World Bank's approach to this problem will be based on WHO technical guidelines. The recommended approach for dealing with dual epidemics of HIV and tuberculosis is to improve surveillance, ensure accurate diagnosis, support effective treatment of all people with tuberculosis, and develop local capacities to design and manage these programs. A dual epidemic requires more extensive resources, careful consideration of priorities, sustained economic development, and continued support for prevention efforts (WHO 2002f).

Facilitating Large-Scale Implementation

Even as countries set up programs that are constrained by financial and nonfinancial resources in the short term, they will need to prepare for large-scale programs. The following actions are necessary if large-scale programs are to be effective:

- Developing, evaluating, and improving surveillance systems to identify high-risk core transmitter groups and bridge populations and help understand patterns of risk behaviors in order to ensure that programs focus on the major sources of infections.
- Maintaining and improving high-level political leadership for HIV/AIDS and tuberculosis control, including, but not limited to, advocacy based on destigmatization and recognition of the potential socioeconomic impacts of uncontrolled epidemics.
- Identifying legal barriers to large-scale programs and building social and political coalitions to reduce them.
- Conducting operational research, with emphasis on behavioral change among injecting drug users and commercial sex workers and their clients, to generate locally relevant knowledge for large-scale efforts.
- Conducting vaccine preparedness studies to enable countries to develop candidate vaccines suitable for the HIV subtypes prevalent in the region.

- Analyzing and disseminating information (regional public goods) on cross-border issues, including human trafficking and gender issues affecting both men and women.
- Conducting country-by-country analyses of financial and non-financial resource gaps, with a view to identifying ways to narrow them.

Approaches

The Bank's support for HIV/AIDS and tuberculosis control in Eastern Europe and Central Asia will take into account four main considerations:

- The Bank will continue to work in partnerships with governments of client countries, UNAIDS, multilateral agencies, bilateral agencies, foundations, local research institutions, NGOs, civil society groups, and the private sector to address not only program development and service delivery but also how to mitigate market failures in product development and access to commodities.
- In terms of content the Bank's work will be based on the best available knowledge from local and international sources. The Bank will work with specialized institutions to support the adaptation of lessons learned from global experiences to Eastern Europe and Central Asia as appropriate, taking into account the local context as well as similarities and differences in the stage of the epidemic.
- In terms of processes the Bank will deploy its multisectoral and multidisciplinary capacity to support priority actions at the country, subregional, and regional levels. Concerned sectors include macroeconomics, education, health, social protection, and transport, as well as institutional units, such as the World Bank Institute (for capacity building and training) and the International Finance Corporation (for engaging the private sector). Through its cross-sectoral engagement and high-level interactions with government, civil society, and international institutions, as well as through consultations with people with HIV/AIDS, the Bank has

the capacity to undertake advocacy to help address gender dimensions, stigmatization, and discrimination.

- In addition to lending operations, the Bank has a variety of instruments for policy dialogue and analytical and advisory services, all of which will be deployed for more intensive work on HIV/AIDS and tuberculosis in the region. These instruments include Country Assistance Strategies, Country Economic Memoranda, Medium-Term Expenditure Frameworks, Development Policy Reviews, Poverty Assessments, and other nonlending activities such as those supporting Poverty Reduction Strategy Papers. Ideally, these instruments would include examination of the potential economic consequences of HIV/AIDS in a country, including discussion of poverty and income inequalities and their contributions to the vulnerability of societies to HIV; the main elements of the national HIV/AIDS strategy and resource requirements; medium-term goals and poverty-monitoring indicators; and short-run actions to jump-start implementation (Adeyi and others 2001).