



**Taking stock of budget
advocacy efforts in
E a s t e r n E u r o p e ,
S o u t h - E a s t e r n E u r o p e
a n d C e n t r a l A s i a**

**NORTH MACEDONIA
COUNTRY CASE**

Vilnius, 2021

North Macedonia

Population:	2.1 million
PLHIV number estimated:	c. 500, concentrated among MSM (2017, national estimate)
PLHIV virally suppressed:	45.5% (2018, national estimate)
Health expenditure as % of GDP:	6.6% (2018, WHO data)
Health as % of government expenditure:	12.41% (2018, WHO data)

HIV financing: Share of government (domestic public) resources, US\$

	2017	2020
- overall HIV expenditure	32.8% EUR 1.4 million*	96% 2.3 million(2019)
- HIV treatment	100%	100%***
- HIV prevention (without OAT)	Ca. 20%**	100%*** Ca. EUR 780 thousand

Data from 2018 and 2020 GAM reports; unless indicated otherwise.

*Stevanovic, M, Senih A, Bozinaska. Republic of Macedonia: Ensuring continuous access to HIV services for key affected populations through sustained involvement of civil society, 2018.

**Estimated based on the assumption of a similar level of funding provided for the first 9 months from the Global Fund and for the last months from the Ministry of Health

*** Respondent

HIV budget advocacy: How civil society is organized

In 2014, a joint HIV platform was established to advocate for sustainable financing of HIV programs. It currently unites 14 civil society organizations including service providers and four community groups including: PWIDs (including OAT clients); sex workers; PLHIV; and MSM/LGBT. The HIV Platform's coordination team consists of five groups: HERA - Health Education and Research Association (an association of sexual and reproductive health and rights); Stronger Together (a PLHIV group); HOPS – Healthy Options Project Skopje (the largest service provider); STAR STAR (a sex worker group) and EGAL – Equality for Gay and Lesbians (an MSM/LGBT peer-led service group). Operating since 2014, the Platform's day-to-day and fundraising work is implemented by HERA in partnership with *Stronger Together*. There are no UN agencies engaged in advocacy, however, there is close collaboration with the National HIV Coordinator who is also heading the National HIV Council.

Funding amounts and sources, US\$:

US\$320,000 in 2018-2021

US\$80 thousand annually

- 75%: multi-country grant from the Global Fund, SoS (only 2019-2021)
- 25%: OSF (the 2018 part of three-year advocacy grant 2016-2018)
- The last country grant from the Global Fund finished in 2017, however, it has not included funding for advocacy;
- Multi-country regional grant focused on MSM (2017-2019) included advocacy component, however, it was not possible to extract the exact amount for this period.

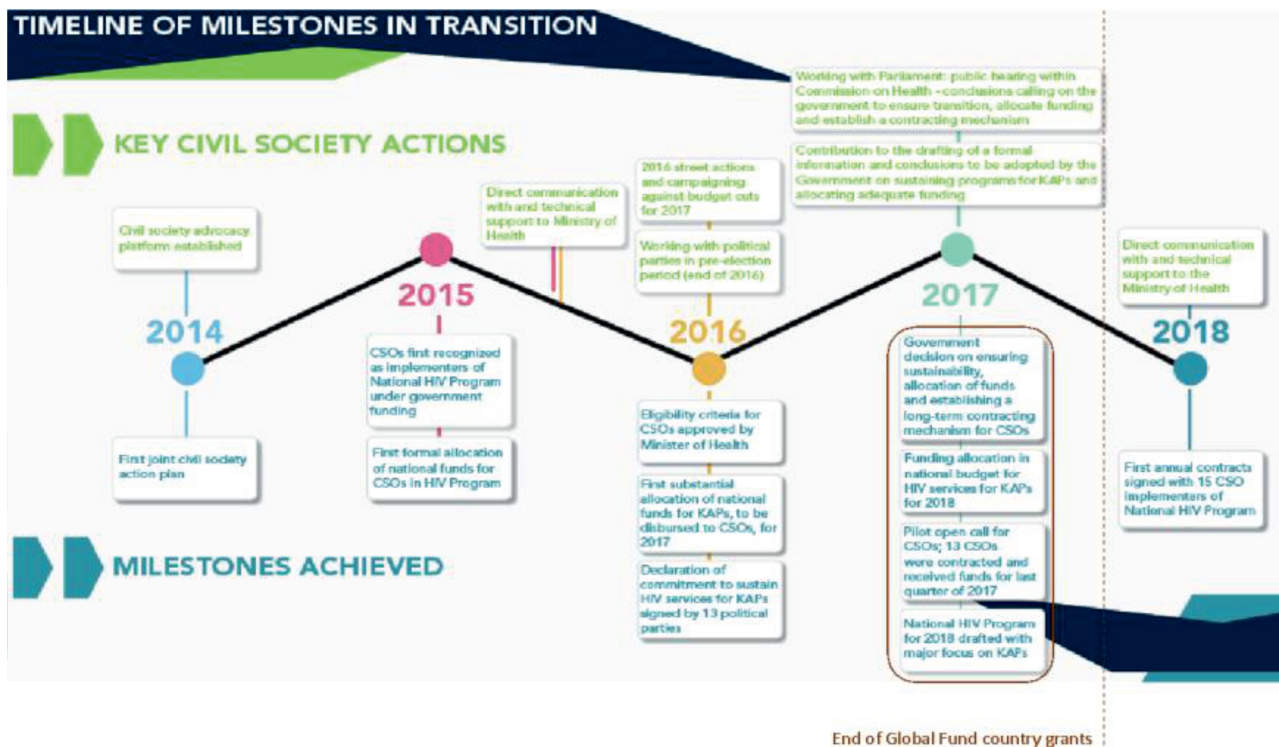
HIV budget advocacy: Key achievements and progress

- Since 2017, the Ministry of Health has sustained funding of HIV prevention and treatment support at the level of the Global Fund support, without international support.
- The number of PLHIV on treatment doubled in 2018-2020 even though the budget did not increase.

Success story: **Breakthrough change in 2017**

In autumn 2017, the government allocated a budget for HIV that was 4 times higher than the previous year. This ensured that prevention activities funded by the last Global Fund grant in 2017 were sustained. The process leading to this major HIV funding allocation from the national budget was quite a journey. During at least 3 years before 2017, a roller coaster of advocacy work finally led to results. Carefully planned advocacy work would lead to the MoH including the appropriate amount in the budget but then the funds would not be allocated. Civil society engaged in dialogue with decision-makers; achieved commitments; monitored follow-up on those commitments; and hold ministry officials and parliamentarians accountable when commitments were not upheld. They did not even shy away from resorting to street protests and a major media campaign after an initial failure to release funds.

Before the 2017 elections, civil society engaged with political parties and managed to get all but the ruling party to commit to sustainable funding for the HIV response. In 2017, the opposition party which ran on an agenda of openness to civil society used a multi-party declaration to follow up with the new government. There were only 3-4 months left of Global Fund support which added urgency to the process. In less than three months since coming to the office, the new government adopted a legally binding decision, based on a MoH communiqué on establishing sustainability of HIV within the budget of the Ministry of Health. Civil society offered wording to the MoH that was used in that communiqué. There were many factors that contributed to the achievement, including: technical analysis like Optima which enabled evidence-based priority setting; influencing national program planning each year; keeping the issues on the agenda of the Country Coordination Mechanism; and working with mid-level MoH officials in addition to political levels. Having a united front with experts and adaptable strategy led by civil society was key to their success.



Stevanovic, M, Senih A, Bozinovska. Republic of Macedonia: Ensuring continuous access to HIV services for key affected populations through sustained involvement of civil society, 2018

Since 2017, the level of funding for prevention and peer-led treatment support was nearly EUR 780 thousand annually, around one-quarter of which enabled the engagement of a network of 13 service providers in more than 10 towns across the country to reach more than 15,000 beneficiaries from people who use drugs, sex workers, men who have sex with men and people living with HIV.

Since then, though civil society representatives noted that the exciting progress has stagnated. The ad hoc mechanism used by the Ministry of Health to announce a call for proposals from NGOs has not been institutionalized despite multiple efforts. In 2019, two legislation and regulatory packages that could govern the process were suggested - first by civil society and later by the legal department of the Ministry of Health. Civil society noted that the MoH proposal which replicated the mechanism used by the Ministry of Social Affairs was not appropriately adapted for health work, using definitions of service based on the social care legislation instead of health laws. Civil society managed to reopen the subject with the Ministry of Health only in late 2020, after making proposals during the government's public consultation on their programme. However, since October 2020 the Ministry has not made any further progress towards initiating the required amendments to the law. As civil society sees it, there is a major gap in the capacity of the Ministry of Health to address HIV in the last 3 years and the gap was worsened by COVID. Having the only HIV-focused epidemiologist from the Institute for Public Health left to join the Global Fund's team in Geneva has not helped either.

The level of HIV services for key populations remains insufficient. While the HIV epidemic has been successfully contained and eliminated among people who use drugs and sex workers, this is not the case for MSM for whom HIV prevalence remains high at 5.4%. Furthermore, the state allocation has neither factored in changes in the national standard of living for the last 5 years and inflation, nor did it added extra support to cover the cost of PPE and other COVID interventions. Additionally, after one CSO service provider delayed submitting its reports, in 2019 its contract was terminated and its services were not re-contracting to another provider, leaving a town neighboring the capital without harm reduction services.

Efforts to influence the agendas of political parties were renewed in 2020, before parliamentary elections. This time, all 16 parties (including the party that was in power before the 2017 elections) signed the new commitment to allocate sufficient HIV funding and establish a sustainable NGO contracting mechanism. This time the declaration explicitly referred to the mechanism to be established by amending the Law on Health Protection¹. An inter-party parliamentary group on HIV and sexual reproductive health and rights is being re-established by HERA to build a vehicle for advancing the commitments made by the political parties in 2020 election campaign.

Successful practice: Working outside the sector and sharing with other countries

To build HIV advocates' budget expertise, HOPS partnered with Association ESE, which has expertise in responsive budgeting, accountability, and transparency of public policies. Already, in 2015, HOPS worked on monitoring of allocation and expenditure of budgets of three national programs; the National Program for Addiction; the National Program for HIV; and the Program for Social Protection. Next year it analyzed the MoH budget for 2011-2015, and, among other things, made the case for increased budget and on opportunities for efficiencies. Furthermore, regular monitoring of the use and distribution of the revenues from the 'sin tax' on beer, alcohol and tobacco sales has helped to increase greater accountability for this particular revenue source². In 2018, some 25% of the annual HIV budget was funded from this source, while the remaining funds came from the Ministry of Health budget.

In 2018, before EHRA and Harm Reduction International issued their materials on budget advocacy, ESE with HOPS support prepared a budget monitoring and advocacy guide for harm reduction³ that speaks to specifics of the Balkan countries. In 2019, HOPS and Association ESE also teamed up with the Drug Policy Network SEE to support budget analysis and advocacy with small seed funding for local harm reduction NGOs in Bosnia-Herzegovina and Kosovo.

¹ More information in Macedonian at: <https://hera.org.mk/16-politichki-partii-se-zalozhija-uslugite-od-znachene-zajavoto-zdravje-shto-gi-davaat-graganskite-organizacii-da-bidat-prepoznani-vo-zakonot-za-zdravstvena-zashtita/>

² Антиќ, Дарко и Деков, Влатко. Акцизите за етил алкохол, за пиво и за цигари претставуваат клучен извор на средства кој може да се искористи за финансирање на програмите за зависности кои ги спроведуваат граѓанските организации: Здружение ХОПС – Опции за здрав живот Скопје, 2020. [in Macedonian]

³ Available at: <http://esem.org.mk/pdf/Publikacii/2018/Budget%20monitoring%20and%20advocacy.pdf>

Association ESE has also looked more closely at the health sector in its budget and accountability work. They have produced multi-year analysis exposing potential options for improving fiscal space and the need for increased prioritization and transparency of government spending for health^{4,5}. This analysis was put forward as the country was planning reforms of its fiscal policies.

The country also promoted its achievements and challenges to support progress in other countries. Notably, in 2018, the CCM, advocates, and the Minister of Health co-hosted the South-Eastern European Ministerial Meeting on HIV and TB (with OSF support) which enabled high-level exchange on practices and provided an opportunity for the Global Fund's Board and the new Executive Director to hear the realities of the countries in transition.

Looking forward

To support those further efforts, the Platform is also considering how to improve strategic data in the country. In 2017-2018, the Global Fund's multi-country grant through ECOM helped North Macedonia to produce its first HIV care cascade (also for MSM) and review paths to improving it, however, it has not been updated since. Another significant area in advocacy plans for 2021 and beyond is how to ensure adequate funding for expansion and improving HIV treatment. Treatment had been optimized to ensure the funding level from 2017 covered 50% more patients in 2018-2020. With support from the SoS Project through 100% Life and WHO/Europe, North Macedonia is the first Balkan country within the project that plans to engage in improved pricing solutions, especially for dolutegravir. With the EU accession, the country has committed to increased patent protection and data exclusivity, limiting options for better prices. But, as part of that process, like its neighbor Bosnia-Herzegovina, they hope to update the national treatment protocols in line with current WHO and EACS recommended regimens. Significant efforts are planned to establish a contracting mechanism that would enable the Ministry of Health to systemically contract NGOs to provide services. The current model has important flexibilities for NGOs to propose the scope and approaches of work that needs to be done. The activists are keen to learn from the models of other countries like Estonia where services are stably funded from domestic public resources.

Sources used:

- Interview with Andrej Senih, *Stronger Together*;
- Country poster for WHO inter-regional consultation on the issues of sustainability and donor transition (2018): Stevanovic, M, Senih A, Bozinovska. Republic of Macedonia: Ensuring continuous access to HIV services for key affected populations through sustained involvement of civil society;
- Country case study in OSF. *Lost in transition*, 2017;
- Vlatko Dekov, HOPS, presentation 'Budget advocacy: a case of North Macedonia' presented at the EHRA workshop in Albania in 2019

Reviewed by: Elisabeta Bosinoska, Vlatko Dekov.

⁴ ESE. [How Macroeconomic Policies and Practices in the Republic of Macedonia Limit and Negatively Impact the Access to Health Care Services](#), 2018

⁵ ESE. [Effects of Macroeconomic Policies on Availability of Funds to Finance the Public Healthcare Sector in the Period 2011–2018](#), 2019