Country Costing Needs

or

Whose Reality Counts?

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UCC Thailand
The “Ideal World”

- National Strategic Plan
  - Resource requirements (5 years)
  - Detailed Action Plan and resource requirement
- National Operational Plan
- GFATM
  - Budget
- External Funder
  - Budget
The “Country Reality”

National Strategic Plan

Resource requirements (5 years)
Unit costs

National Operational Plan

Population based targets
Standard Service Packages
Unit costs

Budget

NASA
Cost categories

GFATM
Budget Cost categories

External Funder
Budget Cost categories
Questions Asked by Decision Makers in Countries

- What does it cost to halve the number of new HIV infections in 2 years?
- How do we compare with other countries? Do we pay more or less?
- What is our benefit to invest in prevention? Why would we invest in harm reduction?
- How much does it cost to avert 1 HIV infection?
- What is the total economic loss caused by HIV over the next 10 years? And, what is the net benefit of expanded prevention?
- Why is the GFATM proposal on MSM much higher than the resource needs in the operational plan?
The Big “2 1/2”

**Strategy**
- Defining key strategies (decisions) guiding resource allocation (prioritization)
- Leads to population based targets and definition of service standards (QA/QC)
- Estimate resource needs with a minimum of operational details for medium term
- Unit costs as planning figures

**Operational Plan**
- Translate strategic guidance into concrete targets and activities.
- Includes population based targets with standard services
- Costed for shorter time period
- Use of unit costs costing the minimum package
- Still resource need rather than concrete budget

**GFATM**
- Proposal budgets are activity based and follow specific cost categories
- Need for countries to “disaggregate” activities in cost categories and to “unpack” standard unit costs
How Can We...

• Find out what a specific strategy costs?
• Prioritize interventions based on evidence and costs?
• Cost an operational plan according to our targets and standard service packaging and use these costs for other purposes (proposals)?
• Compare costs?
• Make our lives easier...
Issues

• Different experts, different plans, different tools, different formats, different costs
• Lack of costing standards
• Project costing (activity based) versus Programme costing (results based)
• National Strategic Plan Applications (GF)
• Using cost-effectiveness and resource need data for prioritization in the NSP
Thank You!