TOWARDS DOMESTIC PUBLIC FINANCING AND SOCIAL CONTRACTING FOR HARM REDUCTION

HARM REDUCTION INTERNATIONAL

This briefing outlines the key elements of domestic public financing and social contracting for harm reduction. It explores the importance of social contracting for sustaining harm reduction community systems, safeguarding HIV prevention and ensuring people who use drugs have uninterrupted access to harm reduction services through transition from donor to domestic funding.[a]

a This briefing draws from Harm Reduction International (2022) Towards domestic public financing and social contracting for harm reduction. London, Harm Reduction International. Available at: https://hri.global/topics/funding-for-harm-reduction/increasing-funding-for-harm-reduction/

Harm reduction funding in low- and middle-income (LMI) countries totalled US$ 131 million in 2019,[1] just 5% of the US$ 2.7 billion that UNAIDS estimates to be required annually by 2025 to meet global targets to address HIV, viral hepatitis and sexually transmitted infections (STIs).[2,3] The funding shortfall has progressively worsened over the past decade, as resource needs have increased and support from the small pool of international donors has reduced.[4] Increased domestic investments in quality, human rights-based harm reduction programmes will be crucial if global targets are to be met. To successfully transition from international donor funding, governments must make harm reduction funding available to community-led, community-based and civil society organisations.

Social contracting[b] is a term used to describe the process where government resources are directed to non-governmental entities to provide services.[5] It is also referred to as social provision of services or public financing for programmes and services implemented by non-governmental organisations. Since harm reduction is largely provided by community-led, community-based, and civil society organisations in many countries, ensuring that mechanisms are in place to allow government resources to be directed to these organisations is especially important.

The three main funding models used by governments for social contracting are:

1. Results-based financing: Payments are made upon achievement of results. This can work for larger organisations that have sufficient core funding to finance their activities in advance, but may exclude smaller organisations with limited funds.

2. Procurement and contracting: Payments are made at set times based on a contracted level of service provision and timeline. Reimbursements from insurance schemes can also fall into this category.

3. Grants (or capitation model): Funds are provided in advance and organisations report back on activities. This model can provide some flexibility and indicate a level of trust in grantees. It is also used where the number of clients a service is likely to reach within a time period is already known.

With social contracting, one size does not fit all. Countries employ social contracting approaches that are developed and defined within the social, legal, and policy context. A successful social contracting mechanism for harm reduction, and community-led responses in particular, is likely to include the use of equitable, fair, and transparent processes and government accountability. These elements are particularly important for communities that are criminalised and marginalised within societies and by laws and policies instated by the same governments providing funds. Other supportive factors for social contracting for harm

b While this briefing uses the term social contracting, we recognise that this term may not be globally understood and is not often explicitly used within national or local regulations, laws, or policies that support its implementation.

reduction includes governmental commitment to achieve Universal Health Coverage and reliable and predictable domestic funding for HIV programmes.

The key prerequisites for increasing social contracting for harm reduction exist. Some countries are using social contracting practices to fund harm reduction and these experiences can be shared and lessons learnt. Increasingly, countries are including harm reduction in national policy and implementing priority harm reduction programmes, albeit often funded by international donors.[6] Community and civil society organisations are already the primary implementers in many countries. Importantly, there is available support from agencies such as the Global Fund and UNAIDS for countries taking steps towards implementing social contracting for harm reduction.

Introducing and improving social contracting mechanisms should not wait until a country is transitioning away from international donor funding to domestic funding. This work to future-proof community systems through transition must begin early to allow for laws and policies to be reformed and new mechanisms to be put in place, or existing mechanisms to be adapted.

Transition plans to shift from international to domestic funding must include community-led, community-based, and civil society actors. They must ensure structures and mechanisms are ready to channel domestic public funds to these organisations to provide quality, human rights-based harm reduction programmes. There also must be domestic support for community-led monitoring and advocacy, provided in a manner which does not compromise independence and the ability to scrutinise and hold governments to account.

Even with social contracting mechanisms in place, while people who use drugs are criminalised and marginalised in societies, by both laws and policies, they will likely experience the same marginalisation within public financing priorities. Community and civil society advocates must be supported to call for decriminalisation and for harm reduction to be politically supported.

RECOMMENDATIONS

Social contracting mechanisms and funding can offer an important framework for sustaining harm reduction community systems, safeguarding HIV prevention achievements made so far, and ensuring people who inject drugs have uninterrupted access to harm reduction services through transition. In order to formulate and implement successful social contracting for harm reduction, we offer the following recommendations for government, donors, community and civil society organisations.

Recommendations for government agencies and national mechanisms on HIV, viral hepatitis and drug policy:

- ❍ Ensure social contracting mechanisms are in place to fund community and civil society organisations
- ❍ Include bold commitments for transitioning to domestic funding within national HIV, hepatitis and drug policy strategies
- ❍ Establish linkages and open dialogue with technical partners and international donors on transitioning to domestic funding

Recommendations for international donors and technical agencies:

- ❍ Provide learning platforms on social contracting
- ❍ Emphasise the importance of introducing social contracting mechanisms early and with the meaningful involvement of communities
- ❍ Provide technical support to governments on introducing social contracting for harm reduction
- ❍ Support and encourage governments and national mechanisms on HIV, hepatitis and drug policy to include bold commitments for transitioning to domestic funding within national strategies
- ❍ Provide technical support and bridge funding through transition
- ❍ Provide core, flexible funding to community and civil society organisation that allows responsive advocacy within ever-changing policy environments
- ❍ Build the capacity of community and civil society organisations to receive government funding and to engage in budget advocacy
- ❍ Collect and share data on social contracting

Recommendations for community and civil society organisations:

- ❍ Assess the current status, scope, and appetite for social contracting
- ❍ Address capacity gaps to ensure your organisation is prepared to receive domestic funding for harm reduction
- ❍ Include research, advocacy and monitoring activities on social contracting within funding and technical assistance requests
- ❍ Advocate for social contracting that works for harm reduction and for community-led, community-based and civil society organisations
- ❍ Form advocacy alliances with other community and civil society organisations

REFERENCES

1 Harm Reduction International (2021) Failure to Fund: The continued crisis for harm reduction funding in low- and middle-income countries. London: Harm Reduction International

2 UNAIDS (2021) Global AIDS Strategy, End Inequalities. End AIDS. Geneva: UNAIDS.

3 World Health Organization (2022) Global health sector strategies on, respectively, HIV, viral hepatitis and sexually transmitted infections for the period 2022-2030. Geneva: World Health Organization

4 Harm Reduction International (2021) Failure to Fund: The continued crisis for harm reduction funding in low- and middle-income countries. London: Harm Reduction International

5 Open Society Foundations, UNDP and the Global Fund (2017) A global consultation on social contracting: working toward sustainable responses to HIV, TB, and malaria through government financing of programmes implemented by civil society. A meeting report. Available from http://shifthivfinancing.org/wp-content/uploads/2018/06/Social_Contracting_Report_English.pdf

6 Harm Reduction International (2022) Global State of Harm Reduction 2022. London, Harm Reduction International.

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