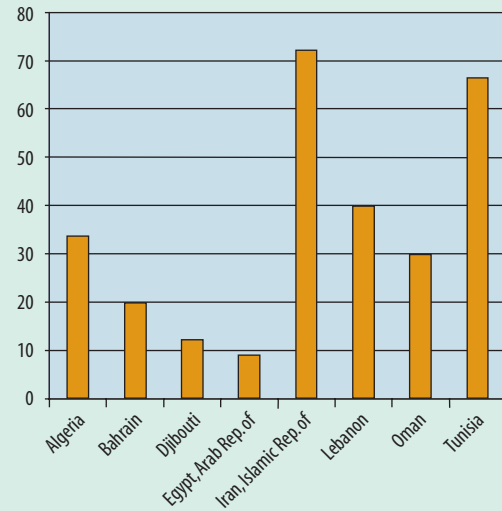
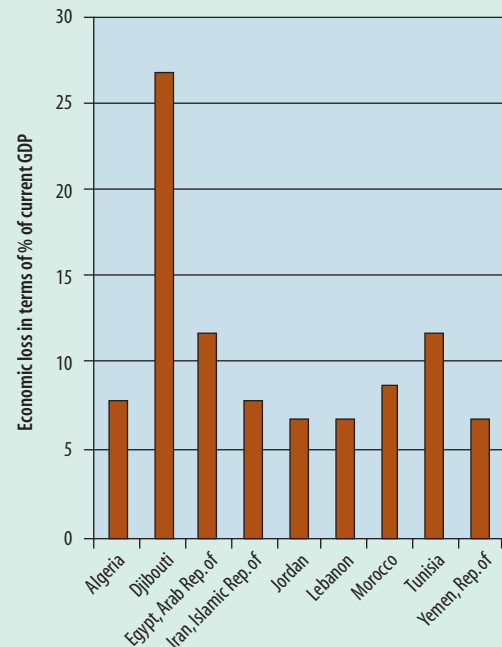


Percentage Increase in the Numbers of Adults and Children Living with HIV/AIDS from 2001 to 2003



Economic Losses Incurred by Delaying Interventions by Five Years in 2000–25



## How Can the World Bank Assist?

The following strategic directions have been identified as areas where the World Bank could support the MENA countries in preventing the epidemic and expanding access to information on HIV/AIDS:

- Engage political leaders, policy makers, and key stakeholders to raise awareness and increase the priorities given to HIV/AIDS programs within national development agendas.
- Support the upgrading of the surveillance systems and strengthen research and evaluation of epidemiological, economic, and behavioral aspects of HIV/AIDS to enhance the effectiveness of HIV/AIDS policies and programs.
- Support the development of national HIV/AIDS strategies and programs, based on the specific epidemiological, social, and economic conditions and context of each country.
- Support capacity building and knowledge sharing for comprehensive management of HIV/AIDS programs.

For more information on HIV/AIDS in the MENA Region and World Bank support, please refer to *Preventing HIV/AIDS in the Middle East and North Africa: A Window of Opportunity to Act*, a World Bank Regional Strategy to be published in August 2005 by the World Bank, or visit the World Bank Web site at [www.worldbank.org](http://www.worldbank.org).

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# Preventing HIV/AIDS in the Middle East and North Africa

## A Window of Opportunity to Act



## HIV/AIDS: A Global Epidemic

HIV/AIDS has emerged as one of the world's worst infectious diseases. Over the past decade, the epidemic has spread with devastating effects in Africa, and is now threatening to spread with equal force in the Russian Federation, India, China, and many other transition economies.

In the Middle East and North Africa (MENA) region, the estimated prevalence rate of HIV is just 0.3 percent among the adult population. However, this low prevalence rate does not mean that the risk of an HIV/AIDS epidemic is low. Recent evidence suggests that the number of adults and children living with HIV/AIDS is rapidly rising in the MENA countries.

Experiences from other transition countries indicate that, in the early stages of the epidemic, HIV infection tends to be limited to high-risk groups. For example, in Eastern Europe and Central Asia, the epidemic is in early stages of transmission and fueled primarily by injecting drug use and secondarily by sexual transmission.

Effective prevention at this early stage of infection can prevent the transmission of the disease to the general population. Once the infection spreads to the general public, the transmission rates will rise exponentially, and it will become extremely difficult and costly to reverse the trend.

According to the currently available data, HIV transmission in the MENA countries appears to be taking place mainly among high-risk groups, such as injecting drug users, commercial sex workers, and prisoners. But the absence of reliable surveillance data among these high-risk groups makes it difficult to measure the actual level of infection, and any major outbreaks in such groups could be easily overlooked.



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## The Economic and Social Impact of HIV/AIDS

“HIV/AIDS, through its impact on mortality and morbidity and the resulting demographic changes, affects all levels of an economy and society, from individuals and households to small and large businesses to the different levels and activities of government.”<sup>1</sup>

International evidence shows that an HIV/AIDS epidemic could have serious consequences on a country’s economic development and growth.

*Impact on households.* Households are directly affected through loss of income, especially when the breadwinner falls ill, and significantly increased expenditures on health care, funerals, and other associated costs. Affected households are forced to cut down on savings and consumption, which in turn leads to reduced investment opportunities and poorer health, nutrition, and educational attainment of the household members. Consequently, many families on the edge of poverty could be forced below the poverty line.

*Impact on public services.* HIV/AIDS sharply raises the demand for and cost of certain public services (especially in health care and social assistance), while reducing the government’s tax base. This will contribute to an erosion of government financial resources.

*Impact on human capital.* HIV/AIDS has an especially devastating effect on human capital because it strikes people of all ages. It raises mortality among the working population, unskilled and skilled labor alike, and depletes the stock of human capital during its most productive years. It also strikes mothers nurturing infants and

the youth during their critical years of schooling, thereby disrupting the existing social structure and network, and the accumulation and transmission of knowledge across generations.

*Impact on the private sector.* The private sector is affected through the decreased productivity of its employees and increased labor costs, arising from early retirement or death of employees. These losses disrupt companies’ operations, raise medical and death-related benefits including pensions, and increase recruitment and training costs. The negative impact of an HIV/AIDS epidemic on small and medium businesses and on the informal sector is likely to be much more severe, as they have relatively fewer resources to mitigate these additional burdens.

For MENA countries, the financial and economic costs of HIV/AIDS can be substantial, especially when it reaches the full AIDS epidemic stage. A recent World Bank study estimated that HIV/AIDS could reduce the potential average economic growth rate in the MENA region by 1.5 percent per year for the period 2002–2025.<sup>2</sup> Cumulatively, this would translate into a potential loss in production of about 35 percent of the current gross domestic product value by year 2025.

### Why Are MENA Countries Vulnerable?

It was believed at one point that an HIV/AIDS epidemic could not occur in India because of its conservative values. Yet, India now has the largest HIV-positive population in the world.<sup>3</sup> Though

<sup>2</sup> C. Jenkins and D. Robalino, *HIV/AIDS in the Middle East and North Africa: The Costs of Inaction* (Washington, DC: World Bank, 2003).

<sup>3</sup> An estimated 5.1 million people were estimated to be HIV positive at end-2003 in India.

sociocultural factors may have helped slow down the initial spread of HIV/AIDS in Asia, they have ultimately not prevented its transmission, and the region exhibits many vulnerabilities that could lead to an increased transmission rate:

*Migration.* The widespread migration both within and outside the MENA region substantially raises the risk of the spread of HIV. Though migration is not a risk in itself, the conditions under which migrants live and work can raise the risk of transmission in both the source and destination locations.

*Cultural and social values.* The silence on the cause and consequences of HIV/AIDS creates a strong risk factor, as it severely limits the scope for introducing public discourse and education, and mobilizing communities and resources for preventive measures. The stigma associated with AIDS also drives underground those most vulnerable to HIV transmission, which further complicates the task of surveillance and provision of targeted support.

*Security and political context.* An early and effective response to the threat of the HIV/AIDS epidemic depends very much on political leadership and commitment. But a number of countries in the region face civil conflicts and security problems, which pose a major challenge for the governments and could undermine their ability to respond effectively to the threat of HIV/AIDS.

*Large youth population and unemployment.* Youth (particularly the unemployed) are in general more vulnerable to the risky behaviors associated with HIV/AIDS. The burden of unemployment is disproportionately borne by youths and is one of the main causes of migration.

## Why Act Now?

Governments can play a critical role in implementing policies and programs to fight the spread of the HIV/AIDS epidemic. By taking action now, while the epidemic is in its early stage of transmission, it would be possible to prevent the spread of human suffering and misery to the millions in the MENA region, as well as avoid the potentially destructive effect of the disease on the region’s social and economic foundation.

## What Can Be Done?

A number of actions need to be taken to prevent the spread of HIV/AIDS in the MENA region:

- Establish a reliable surveillance system to identify and target support to the most vulnerable groups.
- Vigorously pursue cost-effective public health measures to stem the spread of HIV/AIDS in its very early stages. In low-prevalence settings, prevention measures targeted at populations at risk are most effective. In the MENA countries, the following groups will need to be targeted:
  - Injecting drug users and their sex partners
  - Commercial sex workers
  - Prison inmates
  - Males who have sex with males
  - Youth
- Expand public information and education, and encourage greater public discourse on the topic.
- Promote cooperation between governments and civil society to mobilize the participation of all levels of society in the prevention of this deadly disease, and raise the effectiveness of HIV/AIDS programs.

<sup>1</sup> M. Haacker, *The Macroeconomics of HIV/AIDS* (Washington, DC: International Monetary Fund, 2004).