

24 April 2025

URGENT

- To: Mr Ramphelane Morewane (Acting DDG, Department of Health)
- Per email: <u>Ramphelane.Morewane@health.gov.za</u>
- And to: Dr Thembisile Xulu, SANAC CEO
- Per email: <u>thembisile@sanac.org.za</u>

Copies to:

MINISTER OF THE NATIONAL DEPARTMENT OF HEALTH

E-mail: minister@health.gov.za

MINISTER OF FINANCE

E-mail: minreg@treasury.gov.za

MINISTER OF INTERNATIONAL RELATIONS AND COOPERATION

E-mail: rlamola@parliament.gov.za

THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

E-mail: president@presidency.gov.za

Re.: Meeting with DDG Health and Officials held on 22 April 2025 /

URGENT COORDINATED EMERGENCY PLAN AND INCREASED BUDGET FOR HEALTHCARE SERVICES:

We refer to our previous correspondence in this matter.

Thank you for reaching out to us on Monday, 21 April 2025 where you requested a meeting on behalf of the National Department of Health (Department) for Tuesday, 22 April 2025.

We appreciate your willingness to engage with us, albeit belatedly, and specifically we note your apology in our meeting for the delay in the Minister and Department replying to our correspondence, and with that apology, your undertaking to formally respond to our two letters dated 5 February 2025 and 18 March 2025, by Friday, 25 April 2025.

PART A: Summary of Meeting held on 22 April 2025

- 1. In our meeting on Tuesday 22 April 2025, we were joined by several officials from the Department including Ms Gugu Shabangu, Ms Kgomotso Vilakazi Nhlapo, Mr Petrus Khoza, Mr Mxolisi Zondli, Prof Norbert Ndjeka as well as the CEO of SANAC, Dr Thembisile Xulu. The meeting provided input from the Department mainly (and SANAC) about the status of various initiatives to address the immediate and long-term funding gap created by the Trump administration's funding cuts, and with it, the dire interruption of life-saving services.
- 2. In the meeting, you and your colleagues indicated the following: (to the extent that we have captured this incorrectly or omitted key information, please let us know):
 - a. When the Department's DG issued its Circular (11 February 2025)¹ it was responding to the need to avoid a collapse of services due to the sudden and unplanned US funding cuts.
 - b. Since then, the Department has met multiple groups and individuals on different occasions, including also meeting with: PEPFAR Implementing Partners on 3 March 2025 and again last week; the SANAC CSF / PLWHA sector on 7 March 2025 and which included a presentation by RHAP; a Key Population Delegation last week; research and academic institutions (including WITS RHI and SAMRC).

¹ Circular to Provincial Heads of Health, Directors of Health Services, CEOs of Public Health Facilities, and All Relevant Stakeholders: *Provision of uninterrupted HIV services across all health facilities*, 11 February 2025, Issue by DG: Health.

- c. In doing so, the Department did / does not intend to exclude the signatories to the said letters or anyone else with an interest in this matter. These engagements are on-going and via different forums.
- d. The Department has appeared before the Parliamentary Portfolio Committee on Health abouts its plans. And it has met with the SANAC Resource Mobilisation Committee (RMC) and also with the Inter Ministerial Committee (IMC) which includes the Ministers and departments also addressed in our earlier letters. The Department and Minister have also responded to various parliamentary questions.
- e. The Department did not commission Deloitte to conduct an assessment on its behalf, and instead, the Department has undertaken its own internal analysis, based also on information provided to it by PEPFAR (spreadsheets).
 - i. The analysis showed that approximately 150 organisations were supported by various US funding sources that provide multiple services, and of which approximately 36 organisations were contracting directly with PEPFAR, now considered 'prime' organisations or partners by the Department.
 - ii. Due to the funding cuts, the Department is aware that Implementing Partners have had to retrench staff, including around 8 000 workers, considered "patient facing" and that in total, approximately 24 000 healthcare workers who previously contributed to the success of the PEPFAR programs, are now unemployed.
 - iii. The Department's analysis, while not public, has been shared with the National Treasury and forms the basis of a request for short term funding from it.
 - iv. The Department has submitted a letter to the National Treasury demonstrating how - if the funds are allocated, it intends to make use of the money. The "request" is at present being considered by the National Treasury and the Department awaits its response. The Department undertook to confirm in writing the exact ZAR amount requested and what informed it (we note here that according to recent

media reports, DDG Dr Nicholas Crisp is reported to have stated that this figure could be in the region of ZAR 2.82 billion for this year).²

- v. The request to National Treasury is for emergency funding until the Adjustments Budget process commences, when additional funding will be requested for 2026, 2027.
- vi. Should the request be successful, the Department intends to use the short term funding as a lever to intervene 'where the gap is greatest, rather than where the gap is historically required' and seemingly guided by where there is a concentration of formerly CDC funded staff, versus where there is a concentration of formerly USAID funded staff.
- vii. Further, the Department's analysis categorised the amount of staff directly affected by the funding cuts - being the patient facing or public facing category of staff, numbering almost 15 000 - within health facilities (USAID 8 000; and CDC 7 000 - approximate numbers).
- 3. The Department is concerned about the impact of the funding cuts for HIV and TB research and is meeting with research and academic institutions and others about this.
- 4. In respect of sexual and reproductive health services, the Department conducted a "rapid assessment" with the support of UNAIDS, across provinces, with weekly provincial updates, which suggested that there have been no interruptions to services in the interim.
- 5. The Department also indicated that Provinces have no clear formal plans for supporting the continuation of specialised services for key populations, hence, the Department has set up a national Key Populations "Steering Committee" that is now working on finalising provincial/national plans. The Department is in ongoing discussions with provinces on "integrating" services (we note here that the details of the members of the Steering Committee were not shared in the meeting).
- 6. Per the SANAC CEO: It was conveyed that SANAC is the "national coordinator of SA's HIV response" and does not only coordinate SANAC partners; that it is working closely with the Department to respond to the funding cuts. Further, the SANAC RMC is coordinating efforts for resource mobilisation and has met with the National Lottery and

² See: <u>https://bhekisisa.org/health-news-south-africa/2025-04-17-r2-82-billion-thats-what-we-need-to-plug-the-us-funding-gap-for-now/</u> <u>https://bhekisisa.org/health-news-south-africa/2025-04-22-fighting-for-funds-a-new-era-of-hiv-activism/</u>

the Gates Foundation, among others. SANAC indicated that it has also met with "key population" groups. The CEO was unaware that the CHANGE Coalition South Africa submitted a letter to it, for information (and undertook to follow up).

Part B: Seeking clarity

In light of the above, and because we did not have an opportunity for a more comprehensive and substantive discussion at Tuesday's meeting, mainly due to time constraints, we would like to take this opportunity to **obtain clarity** on several aspects, which we believe can only enhance the transparency and effectiveness of government efforts here.

We therefore hope that you will be able to incorporate your responses to the issues set out below in the main reply, expected by Friday, 25 April 2025, to our previous letters, and also share this information publicly:

- Please share the analysis and its methodology, as undertaken by the Department, into the service and funding gap left by the withdrawal of US Government funding (PEPFAR, CDC, NIH, etc.) which it appears has directly influenced the request for and quantum of temporary funding support from the National Treasury.
- 2. Kindly share the formal "request" submitted by the Department to the National Treasury as well as any response / s received from the National Treasury. To avoid confusion, please can you indicate if the "request" that you spoke about in the meeting is a Section 16 Emergency Funding Allocation request (per the PFMA). If not, please advise when will the Section 16 formal request be submitted to the National Treasury or shared publicly? Please also confirm the total ZAR amount requested from the National Treasury, and the basis of the request and calculation. Kindly advise on the spending plan and strategic framework once the funds are disbursed from the National Treasury.
- 3. We were uncertain after the meeting about this aspect so please can you clarify if the funding request to the National Treasury sought permission for the Department itself to direct funding to projects/staff that the Department deems a priority as opposed to the provinces deciding themselves. It was mentioned that Provinces have been developing contingency plans - please share those with us, where available.
- 4. Given that the Department has presumably estimated an amount required to fill the funding gap, please advise whether the Department has begun working on submissions to National Treasury for in-year adjustments to the Division of Revenue Act to cover the shortfall permanently.

5. It was also unclear to us from the meeting whether Provinces are employing data capturers using their existing budgets; and whether the Department is jointly working with Provinces to develop an urgent and longer term plan to ensure the non-disruption of health services among others. Please advise.

6. Key Populations: Services at risk

We also understood from the meeting that the Department is of the view that the current health needs of key populations are adequately covered through existing public sector clinics. Our information (taken from multiple groups working with key populations and from Programme Implementers on the ground, and media reports) indicate that this is certainly not the case: There are several instances of Key Populations unable to access essential services not least because of the requirement of a referral letter. It would make sense (at the very least) for the Department to not just consult all partners and groups working with and for Key Populations but to also urgently issue the necessary guidance and instruction, as proposed in our previous correspondence.

Part C: A crisis unfolds

- 1. A new study *commissioned by the Department*, released yesterday, indicates a worrying trajectory of a potential spike in mortality and morbidity, including hundreds of thousands of <u>new HIV infections</u> in the next few months and years, in the absence of a proper and urgent response to the funding and service cuts.³
- 2. We have previously requested and encouraged greater and more regular *public sharing* of information and critically, for the State to develop an urgent and long term plan, with adequate funding. We have also previously set out the duties of the State to develop such a plan this is why it is critical that South Africa at the very least also convene an urgent, national meeting of all affected patients, implementing partners, projects, advocacy groups and communities.
- 3. Like you, and everyone else in the country, including multiple public health experts that are repeatedly sounding the warning bells, we are concerned about the rapid deterioration

³ See also: Potential Clinical and Economic Impacts of Cutbacks in the President's Emergency Plan for AIDS Relief Program in South Africa: A Modelling Analysis. 11 Feb 2025. <u>https://www.acpjournals.org/doi/10.7326/ANNALS-24-01104</u> And: Securing our HIV response: The PEPFAR crisis in South Africa in <u>https://samajournals.co.za/index.php/samj/article/view/3216</u>

of critical and lifesaving health services that we have collectively spent decades building, especially for communities and populations disproportionately affected by HIV and TB.⁴

4. We therefore remain committed, with others, to join any and all public engagements aimed at ensuring South Africa has a meaningful, rational and proper plan in place to address the growing crisis we face as a result of the US administration's decision to cut its health and research funding to South Africa and elsewhere. This is because we have no time to waste.

In the meeting, you undertook to respond to our earlier letters - we therefore look forward to your response to both our letters as well as the issues set out above that emerged from our meeting.

Sincerely,

For further information, please contact: fatima@healthjusticeinitiative.org.za

Signed by:

- 1. Health Justice Initiative (HJI) (Fatima Hassan, Director)
- 2. African Alliance (Tian Johnson, Strategist)
- 3. Cancer Alliance (Salome Meyer, Director)
- 4. Public Service Accountability Monitor (PSAM), Rhodes University (Jay Kruuse, Director)
- 5. SWEAT (Emily Craven, Director)
- 6. SECTION27 (Khanyisa Mapipa, Head: Health Rights Programme)
- 7. Treatment Action Campaign (TAC) (Sibongile Tshabalala-Madhlala, Chairperson)

⁴ See: <u>https://www.spotlightnsp.co.za/2025/04/23/francois-venter-our-hiv-programme-is-collapsing-and-our-government-is-nowhere-to-be-seen/</u>