

Financing demystified



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Who we are

The International Planned Parenthood Federation (IPPF) is a global service provider and a leading advocate of sexual and reproductive health and rights for all. We are a worldwide movement of national organizations working with and for communities and individuals.

IPPF works towards a world where women, men and young people everywhere have control over their own bodies, and therefore their destinies. A world where they are free to choose parenthood or not; free to decide how many children they will have and when; free to pursue healthy sexual lives without fear of unwanted pregnancies and sexually transmitted infections, including HIV. A world where gender or sexuality are no longer a source of inequality or stigma. We will not retreat from doing everything we can to safeguard these important choices and rights for current and future generations.

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Introduction

When people can access reproductive health supplies and sexual and reproductive health care, they are healthier, happier and better off economically. Communities with access have less injury, illness and death (Stenberg 2014).

Right now, 225 million women in poor and middle income countries who want to avoid pregnancy do not access effective contraception. An additional 204 million women each year suffer from curable sexually transmitted diseases because they do not access reproductive health (RH) supplies (Singh et al. 2014).

Of course, it takes money to improve health rights, reduce poverty and achieve sustainable development. Policymakers have known for many years that not enough money is directed to helping people access RH supplies (Solo 2011), even though sexual and reproductive health (SRH) is one of very few investments whose payoff is more than 15 times greater than its cost (Kohler 2012; Copenhagen 2014).

Meeting all women's needs for modern contraception in the developing world, including RH supplies, would cost US\$5.3 billion more than spent now (Guttmacher 2014). In order for everyone who needs it to access modern contraception, maternal and newborn health care, antiretroviral care, and treatment for major curable sexually transmitted infections, US\$39.2 billion is needed each year, more than double 2014 spending. (Singh et al. 2014; Ross et al. 2009)

In July 2015, Heads of State and Government from around the world agreed to the Addis Ababa Action Agenda (AAAA) on Financing for Development. This document will guide national government decision-making on a wide range of development financing issues for the foreseeable future.

The AAAA sets out a framework and concrete actions to finance sustainable development, including the Sustainable Development Goals (SDGs) adopted by the UN in September 2015. The framework is not brand new. It builds on a year of international consultation and several past international conferences devoted to development finance and aid effectiveness (see Annex 2, Key concepts).

“We, the Heads of State and Government and High Representatives, gathered in Addis Ababa, Ethiopia, from 13 to 16 July 2015, affirm our strong political commitment to address the challenge of financing and create an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity...

Our goal is to end poverty and hunger, and to achieve sustainable development in its three dimensions through promoting inclusive economic growth, protecting the environment, and promoting social inclusion.

Changes to existing financing arrangements present both threats and opportunities for RH supplies and SRHR funding. In theory, any and all financial interactions can affect the availability of RH supplies, by affecting money flows from the macro-economic level to the level of the individual person trying to access RH supplies. This publication helps explain the implications of the AAAA and how people can help increase funding for RH supplies and SRH rights (SRHR) in developing countries.

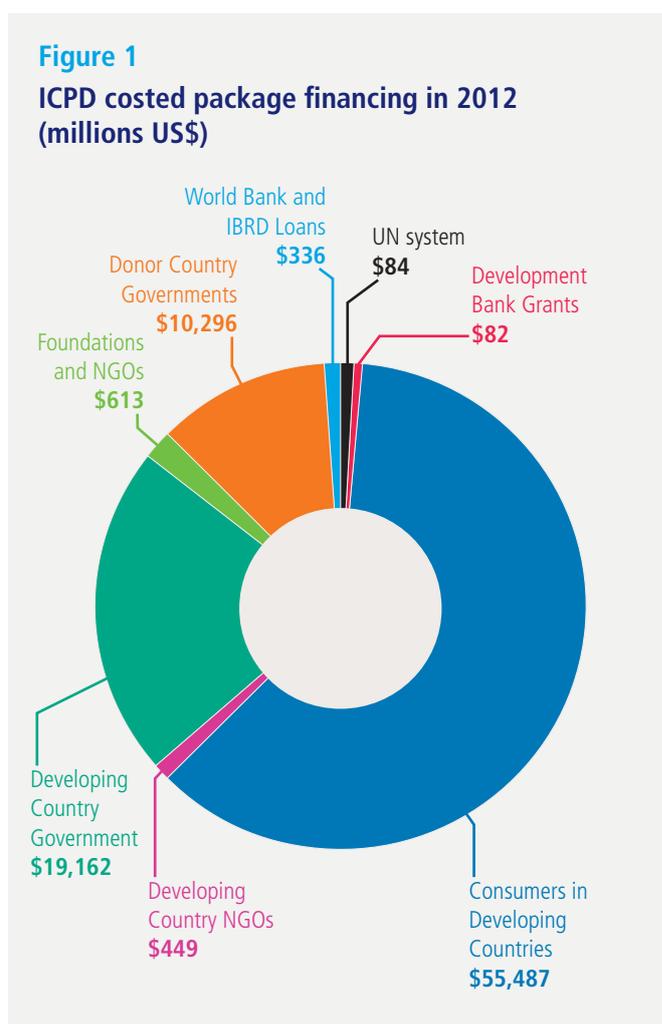
With support from the Reproductive Health Supplies Coalition (RHSC) Innovation Fund, the International Planned Parenthood Federation (IPPF) is implementing the National Action for Financing (NAF) project to work with stakeholders to position funding for RH supplies as a critical element in the new development financing architecture. This publication aims to enable stakeholders to understand the implications of the changes and challenges to RH supplies funding. The advocacy messages and tactics described in this document can help influence decision-making, increase funding and improve access to RH supplies and SRHR.

Financing trends for RH supplies and SRHR

It's very difficult to know exactly where RH supplies and SRHR funds are coming from or going. The best information comes from studies that are designed to answer specific questions. Trying to capture the big picture with many smaller snapshots means there are holes and unclear overlaps.¹ Here's what we do know.²

- Donor governments have been increasing their support for family planning and for RH supplies over the past ten years.
- Private companies have been selling increasing amounts of SRH services and supplies in developing countries for many years, especially where there has been rapid economic growth.
- It's not clear whether or not national governments in developing countries are increasing their (own-source) support for RH supplies and SRHR.
- Consumers in developing countries represent the largest proportion of financing to population assistance. This is measured by out of pocket expenditures on family planning, reproductive health and STI/HIV/AIDS.
- Private consumers in developing countries pay more than anyone else for their own SRHR. They also pay far more than consumers in wealthy countries.

Figure 1 shows the how much money different sources provided for SRHR in 2012.³



1 Such as the UNFPA/NIDI Resource Tracking Project and studies conducted by the Clinton Health Access Initiative, Dalberg Global Development Advisors, John Snow, Inc., and private sector market research firms.

2 See Hoehn, K, Compennolle, L and Koenig, S. *Post-2015 Financing for RH Supplies: Rapid Assessment – Advocacy Mapping*. Reproductive Health Supplies Coalition. Brussels, Belgium. April 2015.

3 As defined by the United Nations (UN) "costed package" for the programme of action of the International Conference on Population and Development (ICPD) – See Annex 2, Key concepts for more information.

Financing trends for development aid overall

Overall trends for development aid and SRHR have a lot in common. Funding seems to be going up in all major types of development finance, though the data and evidence are incomplete.

Finance experts often break development finance into major categories, as described in Figure 2.

The term “private sector” can mean anything that’s not implemented by government, including civil society organizations that provide health care services. Finance discussions usually use “private sector” to mean for-profit companies. If you’re not sure how a person or a report is defining “private,” it’s good to clarify the issue directly.

In addition to those four major development finance categories, there’s another major category that is growing fast. It may be called “blended financing” or “innovative financing.” Figure 3 provides some examples of blended financing.

Figure 2
Major types of development finance

| Finance Category | What this means / includes | Examples |
|------------------------------|--|--|
| Domestic public | Funds from governments in developing countries. | <ul style="list-style-type: none"> • Government-funded clinics • Government-subsidized contraception |
| Domestic private | Funds from private companies, non-profits and individuals (e.g. “out of pocket”) in developing countries. | <ul style="list-style-type: none"> • Private sector pharmacies • Charity hospitals • IPPF Member Association clinics • Mother buying RH supplies • Young person buying condom |
| International public | Funds from donor governments. | <ul style="list-style-type: none"> • Projects funded by USAID, DFID • Projects funded by UNFPA |
| International private | Funds from companies, non-profit organizations and private philanthropic charities based outside developing countries. | <ul style="list-style-type: none"> • Products sold by companies (e.g. most contraception) • Projects funded by charitable foundations and NGOs (e.g. IPPF) |

Figure 3
Blended finance

| What this means / includes | Examples |
|--|---|
| <p>Blended funds combine grant money, which does not have to be repaid, with money that generates financial returns for the entity providing the money.</p> <p>Blended financing mechanisms may be entirely government funded, or they may blend funds from government with a contribution from a private sector entity, in which case they may also be referred to as a Public-Private Partnership (PPP).</p> | |
| <p>Company projects or products that are funded by government loans.</p> | <p>African Health Systems Management Company, a Dutch private company (head office Amsterdam) invests in small and medium-sized companies (SMEs) that are active in health care in Africa, including for hospitals and clinics, health insurance and health administration, healthcare products, manufacturing and pharmaceutical distribution and retail sales.</p> <p>€10 million "innovative, high risk" European Investment Bank (EIB) loan enabling the Swedish company Cavid AB to develop and launch an automated, high-throughput version of its low-cost HIV viral load testing device. This loan is backed by the EU's research and innovation funding programme, Horizon 2020 through the EIB's InnovFin Infectious Diseases instrument.</p> |
| <p>Projects that receive funds from both governments and companies or non-profits.</p> | <p>The DFID Impact Fund, a £75 million fund managed by CDC, the UK's Development Finance Institution (DFI). The DFID Impact Fund started with a US\$15 million investment into Novastar Ventures, which has subsequently obtained US\$29 million additional commitments, including US\$9.3 million private capital (from JP Morgan and other private investors/foundations). The Dutch development bank and Norfund have each invested US\$10 million.</p> <p>Novastar's investment portfolio is diverse. It includes rapidly growing businesses supplying fuel-efficient cookstoves in Kenya and Ethiopia, and franchise sanitation facilities in Nairobi's urban slums. Novastar seeks to develop fully commercial businesses that adapt and deploy innovative business models to profitably serve proven demand for basic goods and services, improving access, affordability and quality.</p> |
| <p>Companies that receive money (capital "equity") from government or a public financial institution to sell products or services, in return for the government owning a share of the company, its profits and/or losses.</p> | <p>CDC has an overall portfolio of investments valued at £3.4 billion (year end 2014) including 1,331 investee businesses. When CDC sells its stakes in businesses or redeems loans, the principal and any profit are reinvested in other businesses. In 2014, CDC invested £472 million in promising businesses in developing countries, and made a total profit (after tax) of £420 million. One example is US\$100 million in equity invested in Integrated Diagnostics Holdings, which is a leading provider of medical diagnostics services across Egypt.</p> |
| <p>Developing country government projects that are financed through loans from public financial institutions.</p> | <p>Global Financing Facility for Reproductive, Newborn, Maternal, Child and Adolescent Health (GFF)</p> <p>EU blended financing regional investment facilities, such as the:</p> <ul style="list-style-type: none"> • African Investment facility • Neighbourhood Investment Facility (NIF) • Latin America Investment Facility (LAIF) • Asian Investment Facility (AIF) • Investment facility for Central Asia (IFCA) • Caribbean Investment Facility (CIF) • Investment Facility for the Pacific (IFP) • EU–Africa Infrastructure Trust Fund (ITF) |

In all of the five categories described in Figures 2 and 3, funding for RH supplies and SRHR seems to be going up, along with development aid overall.

Figure 4
Financing trends – development overall and RH supplies

| Finance category | Development overall | RH supplies / FP / ICPD |
|------------------------|---------------------|-------------------------|
| Domestic public | ↑ | ? ↑ ? |
| Domestic private | ↑ | ? ↑ ? |
| International public | ↑ | ↑ |
| International private | ↑ | ? ↑ ? |
| Blended public-private | ↑ | ? ↑ ? |

Domestic public (government) financial flows:

- have been increasing for development overall;
- may be increasing for RH supplies; and
- are increasing for SRHR.

Public domestic finance in developing countries more than doubled between 2002 and 2011, from US\$838 billion to US\$1.86 trillion. Most of this took place in middle income countries (MICs). In low-income countries (LICs), tax revenues also doubled, but were still insufficient for sustainable development.

Domestic governments contribute about 22 per cent of financing for the entire ICPD costed package (UNFPA/NIDI 2014)⁴ and for RH supplies. It’s not clear whether or not the increases are due to donor funding directing developing country funds toward SRHR (RHI 2015; JSI 2014; Gribble 2010).

4 See Annex 2, Key concepts on ICPD costed package

Domestic private funds:

- have been increasing for development overall; and
- seem to pay for most SRHR needs in developing countries.

Private sector wealth has been dramatically increasing in developing countries along with economic growth. This makes it easier for companies in developing countries to access loans and debt-financing for activities that support sustainable development.

When it comes to SRHR, consumer spending is the main source of funds (64 per cent). Non-profit funds raised and spent in developing countries account for only one per cent of total global financing for the ICPD costed package. No one knows how much private company sales and programme revenue in developing countries may be contributing directly to RH supplies.

International public (donor government) funds are:

- increasing for development overall;
- increasing for RH supplies; and
- increasing for SRHR.

With occasional setbacks, donor support has steadily increased over time since 2002, when donors agreed to development assistance targets.⁵ Donor aid reached an all-time high of US\$134.8 billion in 2013. However, overall development assistance for least developed countries (LDCs) has fallen, and may continue to fall (Intergovernmental Committee 2015). Donor government funding for RH supplies and SRHR appears to be increasing (UNFPA/NIDI 2014).

International private funds are:

- increasing for development overall;
- increasing for RH supplies; and
- probably also are increasing for SRHR.

5 See Annex 2, Key concepts on Key International Financing for Development (FFD) Accords

International private financial flows to developing countries overall are massive – US\$778 billion in 2013 – and private cross-border transfers from individuals and households (remittances) have also grown substantially, though LDCs receive less than two per cent of this money. Some experts argue that private financial flows from developing countries to wealthy countries are even greater (Eurodad 2014).

For SRHR, private philanthropy and non-profits provide less than one per cent of total financing. For-profit engagement in RH supplies in developing countries appears to be significant and growing, but it is not clear how much of this results from own-source financing, not subsidized by government.

While there seems to be tremendous increases in private, for-profit RH supplies sales in developing countries, it is nearly impossible to determine whether or how much of this comes from government support that is made available to those companies.

The private for-profit sector is involved in RH supplies in many ways, such as:

- Manufacturers, which may finance their research from private capital or public research funds or some combination
- Distributors, paid by public or private clients
- Marketing and social marketing agencies
- Consulting firms
- Online markets – for buying and selling supplies
- Pharmacies
- Trusts and Foundations

Blended financial flows:

- are increasing for development overall;
- are probably increasing for RH supplies; and
- are probably increasing for SRHR.

Governments around the world, especially donor governments, are making major increases in their funding for blended financing mechanisms. Blended financing mechanisms can take many forms. Generally speaking, when grant-like instruments are combined with non-grant financing

Who really pays?

Identifying the original source of the funds, and tracking their path to the end user, is essential to assessing the implications of FfD decisions and their cost-effectiveness in achieving desired aims.

Oftentimes, funds pass through many hands before reaching their final destination, which makes it difficult to see the real picture. For example, a company may receive government financial support for its research and product development or for a specific project in a developing country.

If the company then makes a profit and spends some of that money as philanthropy, the money will be counted as a private contribution, regardless of whether the profit was made possible by a government contribution in the first place.

from private and/or public sources it falls under the term blended financing. Often governments fund financial institutions that provide loans to companies or to developing country governments, and use that “leverage” to influence how those projects are set up and managed.

The European Union and World Bank are big supporters of blending financing. The EU’s regional investment facilities encourage developing country governments to take up loans from public financial institutions, such as the European Investment Bank (EIB) or from EU Member State development banks. These loans usually support infrastructure or clean energy projects. For example, only 11 per cent of EU blended financing arrangements between 2007–2014 supported private sector projects. This percentage may increase under the EU’s new funding envelope 2014–2020 ([European Union 2015](#)).

Many experts – including the Intergovernmental Committee that drafted the AAAA and the ICPD High Level Task Force⁶ – see “innovative” blended financing mechanisms as promising new sources

6 The High-Level Task Force for the International Conference on Population and Development is an autonomous group of distinguished representatives from all regions of the world, with records of service in government, parliament, civil society, the private sector and philanthropy.

Addis Ababa Action Agenda main issues

of international public funds for development and for ICPD. While the European Court of Auditors (2014) has found European Union blended financing to be reasonably well managed, there seems to be no reliable evidence that blending achieves development objectives cost-effectively. Evidence is mixed regarding the effectiveness of these mechanisms for health (Atun et al. 2012; Fryatt et al. 2010).

Only anecdotal evidence is available regarding blended financial instrument trends affecting RH supplies though RH supplies stakeholders have been hearing more about these types of instruments over the past decade or so. Certainly the Implanon Access Initiative (Merck) which lowered the price of an important implant and the Jadelle Access Programme (Bayer) guaranteeing the supply of 27 million implants, training and a drastic price reduction, have been highly profiled in the field of RH supplies.

In summary, based on available data and making informed guesses where data is unavailable, trends seem to indicate increases in all major categories of development financing overall and possibly for RH supplies, though the needs for financing development remain tremendous, especially in LDCs.

The Addis Ababa Action Agenda (AAAA) sets out a framework and concrete actions to finance sustainable development, including the Sustainable Development Goals (SDGs) adopted by the UN in September 2015. The range of topics it covers is very broad, as follows:

- Domestic public resources
- Domestic / international private business / finance
- International development cooperation
- International trade
- Debt
- Systemic Issues
- Science, technology, innovation and capacity building
- Data, monitoring and follow-up

In theory, any and all financial interactions can affect the availability of RH supplies, by affecting the money that individuals and families have available; the money that companies have available; the money that governments have available; or the money that the non-profit and charitable sector has available.

We do know that RH supplies and SRHR are underfunded. Changes to existing financing arrangements, with input and support from civil society, might help trigger new or innovative ways to close the funding gap. However, considering that funding for SRHR and RH supplies funding has been increasing for many years, changes to existing financing arrangements also present threats.

Many of the topics addressed by the AAAA seem very far removed from RH supplies or SRHR funding. There is a lack of evidence, data and analysis regarding how international trade and systemic issues, for example, making the burden of tracing these issues to RH supplies and SRHR beyond our reach.

In order to engage, influence and advocate for increased funds to close the funding gap for RH supplies and SRHR – in order to hold governments accountable for the effects of their policies and funding – we need to understand the language and tools of finance, which can be very challenging.

Financial flows are all connected

If **individuals** have less money “in their pockets,” they have:

- less to spend purchasing SRH information, services or supplies;
- less money to invest in companies which develop products;
- less money to pay taxes, which the government can spend subsidizing SRHR; and
- less money to contribute to non-profits and charitable causes supporting SRHR.

If **companies** have less money (capital), they cannot innovate or expand products and services to reach new people.

If **donor governments** have less money, they cannot subsidize SRHR access in developing countries.

If **developing country governments** have less money, they cannot subsidize SRHR access or the infrastructure required to make SRHR available.

If **non-profits** have less money, they cannot provide information services and supplies to improve SRHR, and they cannot hold government accountable for the effects of its policies and funding.

The following messages help explain complex issues and identify specific advocacy messages that civil society and advocates can use to inform policy and financial decision-makers.

Messages for SRHR advocacy

IPPF suggests ten key issues to help advocates take action to support funding for SRHR and RH supplies:

- 1. More aid needed:** Governments must create time-bound implementation schedules to honour their financial commitments and fulfil health rights.
- 2. Transparency required:** Governments using public funds to leverage private capital must require clear assessment criteria, independent evaluation and transparent data access.
- 3. Careful with loans:** Governments must exercise extreme caution in using loans and debt financing. Creditors should provide consistent, transparent and verifiable information about their decision-making, disbursements and impact.
- 4. ICPD funding essential:** Full financing of ICPD is essential to achieve sustainable development
- 5. SRHR is essential:** SRHR information, services and supplies are essential. National governments must include them in social compacts for guaranteed access.
- 6. Careful with tax increases:** Increasing tax revenue must not hamper SRHR access
- 7. Women’s equality requires RH supplies:** Full access to SRHR is essential to promote gender equality and women’s participation in the labour market.
- 8. Support local CSOs for accountability:** Donors must fund local civil society to monitor sub-national decision-making and impact.
- 9. Better evidence needed:** Governments must fund research at global, national and sub-national levels to assess the impact of development financing on SRHR and ensure evidence based decision making.
- 10. People in poverty in MICs need help:** Governments must assess the funding needs and special challenges in middle income countries.

The following section elaborates on the issues and concerns behind each key message.

1. More aid needed

Governments must create time-bound implementation schedules to honour their financial commitments and fulfil health rights.

Issue

Low income countries (LICs) do not have the resources or infrastructure to effectively self-finance health needs or improve access to RH supplies. Donors must create timetables and implementation plans to honour their commitment to the Monterrey consensus (2002), which stipulates that donors should dedicate 0.7 per cent of Gross National Income (GNI) to development.

Furthermore: (1) Donor governments should dedicate at least 0.1 per cent of their GNI to global health financing and 10 per cent of Official Development Assistance (ODA) to population assistance; (2) All governments should devote at least 5 per cent of their Gross Domestic Product (GDP) to national health financing.

Concerns

- Only five donors⁷ have met the 0.7 per cent of GNI Monterrey target, leaving insufficient funds available for development. Donors that have not met this target should establish clear, specific, transparent and measurable implementation plans with deadlines to honour their commitment.
- International consortia of experts have made it clear that in order for governments to fulfil the right to health, funding must be increased by donors for global health and domestic governments for health in-country.
- The definition of ODA may soon be expanded to include environmental, security and possibly other issues. This risks increasing RH supply competition for the limited ODA that remains available.

For that reason, increasing ODA to levels that donors promised is a crucial advocacy message.

Actions

To increase development assistance in support of the ICPD costed population package, SRHR stakeholders should join other development cooperation organizations and urge governments to:

1. Reaffirm the Monterrey definition of ODA for monitoring donor country progress towards 0.7 per cent of GNI.
2. Ensure that financing for the climate and security be excluded from ODA and that new funds are additional to ODA.
3. Adopt the Sustainable Development Solutions Network (SDSN) recommendation that all countries work toward allocating at least 5 per cent of national GDP as public financing for health.
4. Adopt either the SDSN recommendation (in line with the World Health Organization recommendation) that high income countries allocate at least 0.1 per cent of GNI as aid to help low- and middle-income countries implement universal health care or the Chatham House recommendation that high income countries provide at least 0.15 per cent of GDP in aid for health in developing countries.
5. Adopt the International Parliamentarians' Conference (IPCI) commitment to dedicate 10 per cent of ODA to Population Assistance, increase funding for RH supplies specifically and close the US\$9.4 billion annual gap in funding to meet women's needs for modern contraception in the developing world.

For all the above commitments, adopt time-bound implementation schedules and binding targets with clear deadlines and UN monitoring.

⁷ Denmark (0.84 per cent); Luxembourg (0.81 per cent); Netherlands (0.80 per cent); Norway (0.92 per cent); Sweden (0.79 per cent)

2. Transparency required

Governments using public funds to leverage private capital must require clear assessment criteria, independent evaluation and transparent data access.

Issue

When ODA or other public funds are used to “leverage” loans from financial institutions or new private capital in favour of sustainable development, governments must:

- Demonstrate relative overall cost-effectiveness of the approach for improving access
- Require clear results assessment criteria, independent evaluation and transparent data access for monitoring of results.

Governments also must support research to increase understanding of how private and public sector approaches affect access among the poorest and most vulnerable; to assess the “added value” of the private sector; to help domestic developing country governments mitigate the risks of blending private and public resources; and to develop and disseminate evidence on best practices in PPPs for RH supplies.

Concerns

- Public funds increasingly will be used to leverage loans and new private capital in favour of sustainable development. This includes but is not limited to efforts to: enhance support for infrastructure development and financing, mobilize private long-term finance for commercially viable projects and strengthen public and private partnerships (PPPs). When grant-like instruments are combined with non-grant financing from private and/or public sources it falls under the term blended financing.
- The moral hazard is high (especially where for-profit companies receive funding) when public poverty eradication funds are used to support private profit.

- There is a shortage of transparency, accountability measures and actual evidence on the cost-effectiveness of blended financing. Current data and evidence are insufficient to monitor and evaluate PPPs.
- Blended financing mechanisms have received mixed reviews with the risk burden often retained mostly by the public partner.
- Many market inefficiencies that impede the effective contribution of PPPs still exist (e.g. procurement practices, user needs, demand forecasting, coordination, regulatory issues ...).

Actions

To ensure increased private sector involvement leads to sustainable impact, SRHR stakeholders should:

1. Advocate for better private sector data and information to ensure equitable access, quality of care and compliance with human rights and ethical standards.
2. Advocate that essential funding for PPPs should come from the private sector entities themselves to not compromise the availability of public development funds for RH supplies among the world's most poor populations.
3. Make any public development funds used to “leverage” new public non-grant financing and private capital to improve SRHR outcomes contingent on a governance framework, within a tax-funded public health care context, that includes assessment criteria, data transparency, independent evaluation and monitoring mechanisms, as well as a clear demonstration of relative overall cost-effectiveness in improving access.
4. Increase understanding of how total market approaches (including both private and public sectors) affect access of the poorest and most vulnerable. Undertake research to assess the “added value” of the private sector and develop and disseminate evidence on best practices in PPPs for RH supplies and on how domestic developing country governments can mitigate the risks of blending grant and non-grant resources.

5. Forge strong relationships with the private and public sector to resource and address the market inefficiencies that impede effective interventions.
6. Ensure that modalities of financing are rights-based and equitable, and that additional funding is delivered to the full range of SRH services and commodities.

3. Careful with loans

Governments must be careful in using loans and debt financing. Creditors should provide consistent, transparent and verifiable information about their decision-making, disbursements and impact.

Issue

High-level policymakers seem committed to increasing the use of loans, including through International Financial Institutions (IFIs) like the World Bank to finance development.

Concerns

- Market-like (“non-concessional”) loans are designed to return profits to capital providers. They increase the net cost of development efforts, which in turn increases the burden on developing countries. Loan/debt financing of annually recurring operating (“current”) costs, like RH supplies and education, increases the overall financial burden and risks undermining sustainable development. At the very least, the UNCTAD principles (2012) on promoting responsible sovereign lending and borrowing should be followed, including the lender’s responsibility for making a realistic assessment of the sovereign borrower’s repayment capacity. In most cases, these instruments are inappropriate to finance recurring operating costs, such as health services, except in clearly specified circumstances. Instead the GFF should make available sufficient grant assistance to directly cover those costs.
- Transparency, governance and accountability of the World Bank and other International Financing Institutions (IFIs) has been a concern of SRHR advocates. Historically, it has been difficult for civil society to get clear, consistent and sufficiently detailed information regarding World Bank decision-making policies and procedures in relation to SRHR. In the last two years, the World Bank Group has been responsive

to concerns that IPPF has raised and has provided more regular updates to civil society on progress against its Reproductive Health Action Plan.

- The Global Financing Facility for Reproductive, Newborn, Maternal, Child and Adolescent Health (GFF) plans to highly “incentivize” World Bank loans to finance reproductive, maternal, newborn, child and adolescent health. The GFF Trust Fund will only commit grant resources to countries that allocate IDA/IBRD loans to RMNCAH. As a general rule, the minimum leverage ratio (the ratio of IDA/IBRD financing to grant resources) is one-to-four.
- The Creditor Reporting System of the OECD Development Assistance Committee does not indicate the proportion of loan financing that is allocated to current costs, nor the requirement or qualifications attached to them. This makes it difficult for civil society to assess and monitor them.

3. Advocate for sufficient grant assistance to ensure that access to essential RH information, services and supplies is ensured without loan/debt financing of annually recurring operating costs.
4. Require international lenders to improve standardized reporting practices, e.g. through OECD DAC reporting systems that will ensure monitoring and engagement in international financing institutions.

Actions

To ensure loan/debt financing does not undermine sustainable development, advocates should:

1. Require international lenders to open decision-making criteria and processes – especially for population assistance and RH supplies – to public scrutiny and to stop lending practices that are contra-indicated with poverty eradication and sustainable development aims. Advocates should join forces with the development community and urge the World Bank and other IFIs to be more accountable and transparent in their decision-making, policies and procedures.
2. Require the GFF to make detailed evidence in support of its business plan and country investment frameworks available for public scrutiny and screening against UNCTAD principles on responsible sovereign lending, and be accountable to civil society concerns regarding criteria and processes that increase loan dependency in LDCs and LICs. At the national level, the modalities of financing under the GFF that explicitly link grants to loan funding, should be scrutinized for their effects on sustainable development.

4. ICPD funding essential

Full financing of ICPD is essential to achieve sustainable development.

Issue

High-level decision-makers have demonstrated willingness to reaffirm commitments to agreed international programmes of action for sustainable development. They rarely mention the 1994 International Conference on Population and Development in the context of development financing, though it was explicitly included in the draft Sustainable Development Goals (SDGs).

Concerns

The economists and financial analysts that contribute to the FfD discourse do not recognize the importance of the open-ended ICPD Programme of Action, its importance to sustainable development and how it relates to sustained economic growth, the environment, consumption patterns, governance, social equity and gender equality.

Actions

To reaffirm commitment to the ICPD programme of action advocates should:

1. Demand that their governments insist upon explicit reference to fully funding ICPD during development financing decisions, such as the post-FfD events highlighted in the advocacy calendar included in Annex.
2. Reach out to and request the support of leading finance and development organizations, as well as finance, health and development ministers for the inclusion of recommendations to fully fund ICPD and ensure it retains a place on the international development agenda.
3. Target regionally supportive mechanisms including NEPAD, which will likely play a leading role with regard to the SDG financing, to advocate for SRHR financing.

5. SRHR is essential

SRHR information, services and supplies are essential. National governments must include them in social compacts for guaranteed access.

Issue

At an international level, governments have made a commitment to guaranteeing “nationally appropriate social protection systems and measures for all”.

Concerns

In order for this commitment to be meaningful, national governments must ensure effective implementation. Many international commitments, including the ICPD itself, remain unfunded or poorly implemented. National governments must now take action to ensure meaningful, effective implementation with sufficient funding. This requires explicitly including SRHR for all people in national social protection systems and ensuring that SRHR and all essential social protection is fully funded, implemented and monitored.

Actions

The overwhelming evidence that proves that family planning (FP) and RH supplies are an essential public service and a tremendous cost-effective public investment should be used to:

1. Urge decision-makers to include explicit language on access to FP, RH supplies and the ICPD agenda in developing financing documents and decisions at the national and international levels.
2. Demonstrate at the national level that RH supplies constitute an essential public service and public good and should be part of an essential package, and seek national commitment to include RH supplies in guaranteed minimum levels of social protection and essential public services in all national social compacts.

3. Advocate for additional international public funds for public policy research to determine the cost-effectiveness of mechanisms to assure universal access to essential services, and funding for third party (e.g. civil society) resource tracking, data monitoring and advocacy.
4. Approach risk-pooling strategies with care and scepticism, and advocate for alternative social security mechanisms to be put in place to ensure that the poorest and most vulnerable increase their access to RH supplies.

6. Careful with tax increases Increasing tax revenue must not hamper SRHR access.

Issue

Development financing decision-makers aim to increase domestic development country financing for health. They underline the need to improve fairness and effectiveness of tax systems for improving countries' economic and social situations.

Concerns

Considering that national systems in developing countries are often underfunded, increasing domestic revenue in order to reduce poverty and improve access to essential services is welcome. Considering that individuals in developing countries now pay for most of their SRHR with their own money, "out-of-pocket", taxes to increase domestic government resources must (1) be progressive (less burdensome on the poor than the rich) and (2) result in greater support for SRHR services, either because they are free or because people can still afford them after taxes.

Actions

To ensure domestic resource mobilization increases access to SRHR, advocates should:

1. Advocate for the fact that the necessity of high out-of-pocket spending for RH supplies and other essential services in developing countries demands tax-exemption or tax deductibility for those services and supplies.
2. Monitor that domestic government revenue comes from sources that do not further compromise access.
3. Support promising approaches to improve equity – including deployment of services and health workers in the areas most in need, task shifting, reduction of financial barriers to access to services, and conditional cash transfers.

4. Collaborate with global development civil society on the issue of taxation to lend extra gravitas and momentum to the movement, and support their recommendations.

7. Women's equality requires RH supplies

Full access to SRHR is essential to promote gender equality and women's participation in the labour market.

Issue

Development finance decision-makers are eager to promote gender equality and increase women's participation in the labour market.

Concerns

Without full access to SRHR, women's potential cannot be tapped, there can be no gender equality, and women's participation in the labour market will be hampered.

Actions

To increase FfD decision-making in support of RH supply access, SRHR stakeholders should continue to work with the international civil society FfD group to promote the link between access to RH supplies and women's labour market participation in development financed discussions and documents, such as upcoming post-FfD declarations.

8. Support local CSOs for accountability

Donors must fund local civil society to monitor sub-national decision-making and impact.

Issue

Around the world, national governments are increasingly devolving responsibilities to the subnational level, which often lacks technical capacity and resources to manage them effectively. The FfD commits signatories to develop mechanisms to help strengthen sub-national government capacity to manage its responsibilities while also ensuring appropriate local community participation in decision-making.

Concerns

The devolution of decision-making to sub-national levels of government will continue. In order to ensure RH supply access, RH champions need to find ways to increase sub-national commitment to FP, supply chain management capacity and responsiveness to community needs.

Actions

To increase support for RH supplies in a context of devolved decision-making, SRHR stakeholders should join other development cooperation organizations in urging heads of government and finance ministries to:

1. Increase international donor funding to improve national and sub-national technical capacity on financial and administrative management of supply chains for RH supplies for increased FP and RH supply access and uptake, monitoring resource flows and strengthening accountability.
2. Direct funding to civil society in developing countries to ensure that local communities are able to participate in decisions affecting their access to RH supplies and activities at the sub-national level can be taken to scale.
3. Direct additional resources toward data collection, analysis and monitoring of financial resources available for RH supplies at national and sub-national levels, which is essential for determining obstacles to access.
4. The effect devolution may have on access to SRHR should be assessed based on existing evidence, and robust mechanisms put in place timely to mitigate the risks.

9. Better evidence needed

Governments must fund research at global, national and sub-national levels to assess the impact of development financing on SRHR and ensure evidence based decision making.

Issue

Development financing decision-makers want to improve existing data collection, transparency, monitoring and follow-up. The support of FfD decision-makers, governments and civil society can be a tremendous help for ensuring that funds are directed toward collecting, monitoring, analysing and reporting data on RH supplies funding, especially from international private, domestic public and domestic private sources.

Concerns

There is simply insufficient transparent data collection and monitoring to know, with a high degree of certainty, specific ways that the changes anticipated by the global FfD discourse will affect RH supplies. Financing data in every category except donor assistance – domestic public, domestic private, international private – for SRHR is highly insufficient.

Actions

To enable monitoring of progress and ensure evidence based decision making SRHR advocates should:

1. Support the establishment of an international panel to develop and fund concrete ways to overcome the dearth of data on international health and SRHR funding by IFIs, non-DAC Government donors, private foundations and funding that is channeled through and spent by NGOs.
2. Increase international public support to: a) monitor international and domestic financial flows for RH supplies; b) help national developing countries develop and improve

systems for tracking and reporting domestic and international financial flows – budgets and disbursements – dedicated to SRHR; c) track national-level out-of-pocket expenditures for SRHR disaggregated by sex, socioeconomic status and other demographic and geographic variables to capture the financial burden and use of services among disadvantaged population groups.

3. Urge all countries to report total health expenditure and total SRH expenditure by financing source, per capita, and establish country compacts / agreements between governments and all major development partners that require reporting on externally funded commitments and expenditures, based on an agreed common format.
4. Urge states to work towards developing standardized accounting and reporting frameworks for SRH, with data disaggregated by “government-as-source” (domestic public resources, i.e. taxes) and “government-as-agent” (all financing disbursed by the government, including external revenue, such as ODA).
5. Seek standardized indicators on SRHR in global and national results frameworks. Results frameworks are key to ensure accountability, providing a means to track progress globally, nationally and sub-nationally.
6. Urge the international community to support national expenditure tracking where capacity and resources are lacking.

10. People in poverty in MICs need help

Governments must assess the funding needs and special challenges in middle income countries.

Issue

International funding for all countries, including middle income countries (MICs), particularly those in Latin America and the Caribbean (LAC) has dropped dramatically in the past years (UNFPA GPAR 2012). Data shows a reduction of 22 per cent of ODA for Latin American countries from 2009 until 2012. The report also predicts a 3 per cent decline of government spending for SRHR in the LAC region.

Concerns

Donors have been allocating contributions to middle income countries on the basis of per capita income which assumes that as country per capita incomes increase, the country has more resources and tools for combating poverty. However, severe income inequalities and poverty persist in many MICs. Public funding from governmental sources for SRHR issues in LAC are expected to fall by 3 per cent during 2012–2015, making it more difficult for people to access RH supplies and SRHR.

Actions

1. When looking at resource allocations, all governments should complement the per capita income criterion with a new perspective that addresses the structural gaps that constrain the development of middle income countries (in terms of inequality and poverty, education, health, fiscality, gender and the environment etc.) but also in terms of human rights and democracy issues.
2. Donors and recipient countries should open up a political dialogue to identify ways of dealing with structural gaps on a country-by-country and case-by-case basis, by order of priority, with a view to establishing the most

appropriate policy mechanisms and strategic working modalities.

3. In cases where graduation is imminent and irreversible, donors should assess the needs of each middle income country on an individual basis and create or revise the phasing-out strategies in coordination with civil society, to ensure continued SRH service and access to SRH supplies.
4. Donors should include middle income countries in global funding calls to address inequalities.
5. Donors should increase funding to national and regional CSOs in the region to work on budget and policy advocacy as well as accountability to ensure domestic funding is appropriate to the needs of each country as donors pull out of MICs.
6. Donors should increase political support to those countries where SRHR is most in danger and where domestic political will is weak and unstable.

What's next – how to engage

As the actions above describe, we all have plenty of work ahead if we want to increase and improve financing for RH supplies and SRHR.

- Call on governments to increase funds for SRHR, but they also need to study the impact and cost-effectiveness of changes they make to current financing arrangements.
- Urge private, non-profit organizations and companies to provide clear, detailed and transparent data about how the SRHR information, services and supplies that they provide.
- Mobilize individual activists, advocacy organizations and local civil society organizations to demand effective policies and sufficient funding by all actors, and to hold them accountable for programmes and projects that do not work well.

Who and how to influence

During the coming years, advocates must develop strategies and activities to target the following decision-makers. The detailed messages can be grouped into broad categories of intervention.

- Donor country parliaments and finance ministries:
 - increase grant aid funding for SRHR, RH supplies and the ICPD programme of action;
 - be cautious when using loans and risk-pooling strategies to achieve universal SRHR access;
 - make sure that sufficient aid goes to LICs, LDCs and impoverished communities in MICs;
 - make sure that all aid, but especially that supporting profitable enterprises, requires clear, comprehensive, transparent reporting, so that cost-effectiveness and impact can be assessed;
 - fund local CSOs to hold all actors accountable for results; and
 - fund research that compares the relative cost-effectiveness of different approaches.

- Developing country parliaments and finance ministries:
 - increase funding and improve programmes for SRHR and RH supplies;
 - include SRHR and RH supplies in national social protection systems and on lists of essential public goods / services for implementation of social compacts;
 - be careful that efforts to increase national revenue do not undermine SRHR among those who currently pay most costs out-of-pocket;
 - make clear, comprehensive, transparent reporting available, so that cost-effectiveness and impact of various approaches can be assessed;
 - provide technical support to subnational governments to improve their ability to ensure full SRHR and RH supplies access; and
 - fund local CSOs to hold all actors, including subnational governments, accountable for results.
- Private sector actors:
 - make clear, comprehensive, transparent reporting available, so that cost-effectiveness and impact of various approaches can be assessed; and
 - support local efforts to increase the responsiveness and accountability of RH supplies and SRHR projects and programmes.

ALL actors need to ensure that women are treated equally and put at the forefront of decision-making on issues that directly affect their well-being, such as RH supplies and SRHR.

A detailed description of some key opportunities to influence decision-making for more and better RH supplies and SRHR funding can be found in Annex 2. It details:

- Entry points
- Expected event outcomes
- How to register
- Key sessions
- Key stakeholders
- Actions to take

In order to strengthen local advocacy, local stakeholders are listed for some events in developing countries, including Mexico, Indonesia and Zimbabwe.

The actions that are recommended build on those described above. They connect messages with the people who will be present at those events, the session topics and/or key policy documents prepared for the events.

2015 events

In the coming months, key events where advocacy can help improve and increase funding for RH supplies and SRHR include:

- 18–20 October, Mexico:
Global Maternal Newborn Health Conference
- 20–21 October, Luxembourg:
European development aid after 2015 –
What is at stake? – European court of Auditors
- 9–11 November, Indonesia:
ICFP 2015: Global Commitments, Local Action
- 18–19 November, Belgium:
AidEx
- 19 November – 4 December:
ICASA – International Conference on AIDS
and STIs in Africa
- 30 November – 11 December, France:
COP21 – Paris Climate Change Conference
- 16–19 May 2016, Copenhagen:
Women Deliver Conference

These events represent the beginning of many years of decision-making that will be affected by the Addis Adaba Action Agenda Financing for Development framework and decisions.

We urge all who would like everyone to be able to have full SRHR and to access RH supplies to act on the information contained in this document.

Annex 1

Acronyms and abbreviations

| | |
|---------------------|--|
| AFDB | African Development Bank Group |
| AfDF | African Development Fund |
| BMGF | Bill and Melinda Gates Foundation |
| CAGR | Compound Annual Growth Rate |
| CARE | CARE International |
| CDC | Centers for Disease Control (US) |
| CIDA | Canadian International Development Agency |
| CRS | Creditor Reporting System of the OECD DAC |
| CSO | Civil Society Organizations |
| CYP | Couple Years of Protection |
| DAC | Development Assistance Committee of the OECD |
| DFID | Department for International Development (UK) |
| EIB | European Investment Bank |
| EWEC | Every Woman Every Child |
| FDI | Foreign Direct Investment |
| FfD | Financing for Development |
| FP | Family Planning |
| GAVI | Global Vaccine Alliance |
| GDP | Gross Domestic Product |
| GFATM | Global Fund to Fight AIDS, Tuberculosis and Malaria |
| GFE | Global Fund for Education |
| GFF | Global Finance Facility for the Every Woman Every Child initiative |
| GFH | Global Fund for Health proposed by the SDSN |
| GNI | Gross National Income |
| HIV and AIDS | Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome |
| IBRD | International Bank for Reconstruction and Development |
| ICESCR | International Covenant on Economic, Social and Cultural Rights |
| ICIJ | International Consortium of Investigative Journalists |
| ICPD PoA | International Conference on Population and Development Programme of Action |
| IDA | International Development Association |
| IFI | International Financial Institution |
| IADB | Inter-American Development Bank |
| IMF | International Monetary Fund |
| IPPF | International Planned Parenthood Federation |
| LAC | Latin America and the Caribbean |
| LDC | Least Developed Country |

| | |
|---------------------|---|
| LIC | Low Income Country |
| MDG | Millennium Development Goal |
| MIC | Middle Income Country |
| MOH | Ministry of Health |
| NAF | National Action for Financing |
| NGO | Non-Governmental Organization |
| NIDI | Netherlands Interdisciplinary Demographic Institute |
| ODA | Official Development Assistance |
| OECD | Organization for Economic Development and Cooperation |
| OOP | Out of Pocket (expenditures) |
| PAHO | Pan American Health Organization |
| PPP | Public-Private Partnership |
| RH | Reproductive Health |
| RHSC | Reproductive Health Supplies Coalition |
| RMNCAH | Reproductive, Maternal, Newborn, Child and Adolescent Health |
| SDG | Sustainable Development Goal |
| SDSN | Sustainable Development Solutions Network |
| SME | Small and Medium Enterprise(s) |
| SRHR | Sexual and Reproductive Health and Rights |
| STD / STI | Sexually Transmitted Disease / Sexually Transmitted Infection |
| SWAps | Sector Wide Approaches |
| TOSD / TOSSD | Total Official Support for Development / Total Official Support for Sustainable Development |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNFPA | United Nations Population Fund |
| UNHCR | United Nations High Commissioner for Refugees |
| UNICEF | United Nations International Children's Emergency Fund |
| UNOCHA | United Nations Office for the Coordination of Humanitarian Affairs |
| UNOPS | United Nations Office for Project Services |
| UNPEACE | United Nations Peacekeeping or Monitoring Mission |
| USAID | United States Agency for International Development |
| USDOD | United States Department of Defense |
| WB | World Bank |
| WFP | World Food Programme |
| WHO | World Health Organization |

Annex 2

Key concepts

What are RH supplies?

Reproductive health supplies are defined in this report as encompassing any material or consumable needed to provide reproductive and sexual health services – including but not limited to contraceptives, drugs, medical equipment, instruments, and expendable supplies for family planning, for prevention and treatment of sexually transmitted infections including HIV and AIDS, and for maternal health and ensuring safe delivery and post-partum care.

ICPD costed package

The “costed package” specified in the ICPD Programme of Action (paragraph 13.14) enables resource tracking in four major categories of population assistance.

- STIs and HIV/AIDS, which includes condom distribution, represents about 65 per cent of ICPD donor funding.
- Basic reproductive health represents about 23 per cent of ICPD donor funding.
- Family planning, including most RH supplies, represents about 9 per cent of ICPD donor funding.
- Basic public policy administration and research represents about 3 per cent of ICPD donor funding.

See Beekink (2014) for a detailed description of methodologies used in estimating the “costed package” for the ICPD Programme of Action.

Private sector involvement in RH supplies

Nearly 40 per cent of women in Sub-Saharan Africa and Asia rely on the private sector for family planning (Mitchell 2013). “Private sector” may refer to all providers, suppliers, and ancillary and support services not managed by the public sector, including commercial or for-profit entities, non-profit organizations, community groups, informal vendors, doctors, pharmacies and hospitals (Armand et al. 2007).

In addition to innovating, manufacturing and disseminating RH supplies, the private for-profit

sector has contributed philanthropy, corporate social responsibility and shared value creation through price reductions.

To date there has been no comprehensive empirical review of the contribution of the private sector to RH supplies. The overall impact of the private sector is complex and poorly understood, backed by mainly anecdotal evidence.

In the AAAA and related FfD discussions, people often use the term “private sector” to mean “commercial private sector” or companies. If you are not sure how someone is using term, it’s worth taking the time to clarify what they mean exactly.

Key international FfD and related accords

FfD decision-making this year is part of a broader and longer-term process that began many years ago and addresses more issues than how to finance the SDGs.

- The 2002 Monterrey Consensus reaffirmed that donor governments should provide 0.7 per cent of Gross National Income (GNI) in official aid.
- The 2008 International FfD Conference in Doha reaffirmed Monterrey aid targets, while emphasizing the importance of mobilizing domestic public and private resources, international private resources. It called for improved trade deals, debt restructuring mechanisms and the need to reform the international financial system and institutions.
- The 2005 Paris Declaration and High Level Forums on Aid Effectiveness in Accra (2008) and Busan (2011) emphasized country-ownership and partnership between donor and developing country governments and with civil society.

Hyperlinks to the main policy documents informing the FfD discourse, past and present, can be found below.

- [Addis Ababa Action Agenda](#)
- [February 2015 “Elements” background paper for the Third FfD preparatory process](#)
- [August 2014 report of the Intergovernmental Committee of Experts on Sustainable Development Financing](#)

- [December 2014 OECD DAC High-Level Communique](#)
- [October 2014 OECD DAC report: Measurement of Development Finance post-2015](#)
- [The 2011 Busan Partnership For Effective Development Co-Operation](#)
- [The 2008 Doha Declaration](#)
- [The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action](#)
- [The 2002 Monterrey Consensus on Financing for Development](#)

Innovative and non-grant financing

The term “Innovative Financing” is used in many different ways. After reviewing more than 100 initiatives, the High Level Taskforce on Innovative International Financing for Health Systems identified airline tax, tobacco tax, immunization bonds, advance market commitments, and debt swaps as the most promising sources for new and additional financing for global health. Only GAVI (www.gavi.org), the Global Fund for AIDS, Tuberculosis and Malaria (www.theglobalfund.org) and UNITAID (www.unitaid.eu) use innovative approaches globally to mobilize, pool, channel, allocate, and disburse funding more effectively for medicines, vaccines, diagnostics, preventive interventions, and health systems in low-income and middle-income countries to address vaccine-preventable childhood diseases, maternal disorders, HIV/AIDS, tuberculosis, and malaria. (Adapted from Atun et al. 2012)

COP21

In 2015, France will be hosting and presiding the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21/CMP11), otherwise known as “Paris 2015” from 30 November to 11 December.

The United Nations Framework Convention on Climate Change, or “UNFCCC”, was adopted during the Rio de Janeiro Earth Summit in 1992. It entered into force on 21 March 1994 and has

been ratified by 196 States, which constitute the “Parties” to the Convention – its stakeholders.

This Framework Convention is a universal convention of principle, acknowledging the existence of human-induced climate change and giving industrialized countries the major part of responsibility for combating it.

The Conference of the Parties (COP), made up of all “States Parties”, is the Convention’s supreme decision-making body. It meets every year in a global session where decisions are made to meet goals for combating climate change. Decisions can only be made unanimously by the States Parties or by consensus. The COP held in Paris will be the 21st, hence the name “COP21”.

COP21 will be a crucial conference, as it needs to establish a new international agreement on climate, applicable to all countries, with the aim of keeping global warming below 2°C.

Blended financing

Blended finance is the complementary use of grant-like instruments and non-grant financing from private and/or public sources. In order of prevalence, they include:

- Loans
- Public Private Partnerships, such as donors providing technical assistance to government and private entities
- Direct Market Interventions, such as equity, a transfer of resources in exchange for an ownership stake)
- Risk-Based Instruments, such as credit guarantees or risk insurance
- Performance Based Instruments, such as Advance Market Commitments

Using ODA to leverage non-grant financing or private capital reduces transparency while risking inefficiency and ineffectiveness (Bilal et al. 2013). Independent review of the effectiveness and impact of blended financing mechanisms would help determine if they are a suitable use of ODA.

Public Private Partnerships (PPPs)

As the WHO website explains, the term “PPP” can apply to ventures varying widely in size, participation, legal status, governance, management, policy-setting prerogative, contribution or operational role. Objectives typically include:

- Developing a product
- Distributing a donated or subsidized product
- Strengthening health services
- Educating the public
- Improving product quality or regulation

Some “PPPs” could be more accurately described as public sector programmes with private sector participation, such as Global Alliance for Vaccines and Immunization, which has its secretariat at UNICEF.

There are also legally independent “public interest” (but actually private sector) entities such as the Global Fund to Fight AIDS, Tuberculosis and Malaria.

PPPs may be financed in any number of ways. They may be grant-funded; funded by contributions “in-kind” (e.g. the labour of the public and private entities that participate); or they may be financed through a blended financing mechanism.

Development bank loans

As explained by NIDI (2015), development banks are an important source of multilateral population assistance. They focus on providing loans, which must be repaid, rather than grants.

Most loans for population assistance come from the World Bank, which supports reproductive health and family planning service delivery, population policy development, HIV/AIDS prevention, and fertility survey and census work.

The World Bank Group loaned US\$336 million for population and reproductive health activities in 2012. Three-quarters of this (US\$255 million) was loans from the International Bank for Reconstruction and Development (IBRD) loans at market rates. The rest were International Development Association (IDA) loans, made at highly concessional rates.

“Concessional” rates are those whose associated costs and fees are lower than for loans available on the commercial market.

NIDI and IPPF (2014) have found it extremely difficult to get clear, consistent, disaggregated and reliable data from the World Bank regarding its grants and loans for SRHR. It is also difficult to get information about the criteria and processes used for development bank loan decision-making.

Many bank loans are used to finance basic social service programmes such as nutrition, integrated health and girls’ education projects. Often, ICPD components such as family planning, reproductive health and HIV/AIDS-prevention services are embedded in these projects. However, record-keeping systems do not disaggregate funds by ICPD categories. As a result, loans that finance basic social service programmes and which include family planning, reproductive health and HIV/AIDS services go unrecorded.

Global financing facility for Every Woman Every Child

The Global Financing Facility (GFF) for Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCAH) was announced at the UN General Assembly in September 2014 by the World Bank Group and governments of Canada, Norway, and the United States. In July 2015, additional donors were announced, including the Government of Japan and the Bill & Melinda Gates Foundation. In support of Every Woman Every Child (EWEC) initiative, the GFF seeks to mobilize support for developing countries to end preventable maternal, newborn, and child deaths by 2030, and finance Sustainable Development Goal (SDG) 3 “Healthy lives”. GFF design has developed in parallel with the global FfD discourse. Many of its design features mirror those topics being discussed in preparation for the FfD Outcome Document.

As the GFF is intended to serve as an implementation mechanism for financing RMNCAH, its business plan provides a helpful case study for how the abstract FfD discussion may play out in reality for RH supplies.

Country ownership

Since the Paris Declaration in 2005, the field of development cooperation has continuously increased emphasis on developing country ownership and control over development investments. Many donors have increased the amount of bilateral aid provided through mechanisms such as general budget support, which delegate authority for resource allocation to the national developing country government.

Unfortunately, developing countries are often less prepared to prioritize funding for family planning, RH supplies and sexual and reproductive health and rights in their budgets than are donor governments.

In addition, the challenge of increasing funding for SRHR in developing countries is exponentially more burdensome than influencing donor countries, for many reasons, not least of which is insufficient and non-transparent spending data.

FfD decision-making this year will extend this challenge for the foreseeable future.

Sub-national decision-making for RH supplies

Developing countries' increasing tendency to decentralize responsibilities from national to subnational government has shifted attention to curative and emergency care rather than prevention; reduced awareness of the need to increase FP funding; increased corruption in procurement; reduced capacity to plan and manage the RH supplies pipeline and related data. In some cases decentralization has increased instability, increased the cost of RH supply procurement and compounded stock-outs and shortages in supplies.

Civil society can help maintain focus on SRHR and RH supplies; however, civil society is not systematically included in local processes. Local civil society organizations typically lack access to and understanding of key documents, processes and opportunities and are unable to participate meaningfully. (JSI 2010; Schmidt 2011; JSI 2012; Vernon et al. 2015).

Annex 3

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October 2015



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