

IPPF Briefing: The World Bank Group's funding for sexual and reproductive health

Purpose of briefing

This briefing is intended for decision makers and advocates working on sexual and reproductive health and rights and/or financing for development. It aims to equip decision-makers and advocates with information about the World Bank Group's (WBG) financing for sexual and reproductive health. This briefing makes recommendations about what is needed from multilaterals, such as the WBG, to ensure future sustainable financing for sexual and reproductive health and rights. Given the current funding gap for sexual and reproductive health (SRH) globally and the ambition of the Sustainable Development Goals (SDGs), it is critical that development financing is sustainable and equitable and covers the full range of sexual and reproductive health supplies, services and information.

Taking stock

The Reproductive Health Action Plan

The Reproductive Health Action Plan (RHAP), a five year plan, was approved by the WBG in 2010 and set out the WBG's approach to increase its effectiveness in promoting and supporting national policies and strategies for reproductive health, and to support improved reproductive health outcomes at national level. The Action Plan emerged out of a critical evaluation of the WBG's performance in the Health, Nutrition and Population sector between 1997 and 2007. The evaluation found that the WBG had not sufficiently increased its influence and spending in reproductive health, demonstrated by the fact that investments in reproductive health had fallen from 18 per cent of the health portfolio in 1995 to around 10 per cent in 2007.

The Reproductive Health Action Plan was therefore introduced as the WBG's action-oriented agenda to use its significant comparative advantages at global and country levels. It reinvigorated the WBG's commitment to supporting countries improve their reproductive health outcomes, especially for the poor and vulnerable, in the context of the WBG's overall strategy for poverty alleviation. The WBG Action Plan focused on three result areas within 57 *'high burden'* countries: reducing high fertility, improving pregnancy outcomes and reducing sexually transmitted infections, including HIV. It set out a broad results framework which aimed to provide guidance to development of targeted country level action plans adapted to specific country needs.

Since the RHAP was introduced in 2010, <u>IPPF has been monitoring and tracking</u> the WBG's investment in reproductive health. In particular, IPPF has been tracking the WBG's spending on reproductive health in order to identify trends in financing and to assess whether spending levels are decreasing, increasing or flat-lining.



Table 1: WBG spending on health nutrition and population and reproductive health in US\$ millions per financial year:

	2010			2011			2012			2013			2014			2015		
	Total HNP	RH	% RH	Total HNP	RH	% RH	Total HNP	RH	% RH									
AFR	628	140	22%	511	40	8%	556	174	31%	463	79	17%	502	125	24%	1,979	545	28%
EAP	243	1	0.4%	171	7	4%	418	207	50%	305	19	6%	332	53	16%	184	38	27%
ECA	761	0	0%	388	0	0%	738	0	0%	223	26	12%	552	75	14%	287	0	0%
LCR	2,359	0	0%	1,293	254	20%	356	276	78%	445	209	47%	77	4	5%	476	10	2%
MNA	111	10	9%	139	16	11.5%	52	31	60%	117	0	0%	126	8	6%	132	0	0%
SAR	374	86	23%	439	163	37%	211	74	35%	850	41	5%	328	0	0%	422	49	12%
Other	11	0	0%	1	0	0%	0	0	0%	2	0	0%	0	0	0%	0	0	0%
Total	4,487	237	5%	2,941	480	16%	2,331	762	33%	2,405	374	16%	1,917	265	14%	3,480	642	18%

In 2013, IPPF warned of a downward trend in investment in reproductive health in coming years, unless new investments in reproductive health grew as the WBG's health budget expanded. 2013 data received from the WBG revealed that there was a significant fall in the WBG's new investments for reproductive health in 2013 from 2012. There was a further fall in the percentage of the total health portfolio allocated to reproductive health in 2014 from 16 per cent to 14 per cent. At the time, IPPF urged the WBG to increase its new investments in reproductive health each fiscal year up to 2015 and beyond, to ensure that the Reproductive Health Action Plan priority countries would continue to be supported to achieve improved reproductive health outcomes. IPPF recommended that as budgets for the WBG's general health portfolio grew, we would expect to see the relative allocation of funds to reproductive health expanding proportionately.

IPPF can report that the data for financial year 2014-2015, shows that financial spending has increased from financial year 2014 to 2015 from 14 per cent to 18 per cent of the total health portfolio allocated to reproductive health. In real terms, this is an increase from US\$ 265 million in 2014 to \$642 million that the WBG has invested in reproductive health in 2015. **IPPF welcomes this increase in WBG spending on reproductive health.**

However, IPPF is disappointed that the WBG is not renewing the RHAP. Now is not the time to step back on investment in reproductive health, given current need to increase sustainable financing for SRH and the scale and ambitions of the SDGs. According to the Overseas Development Institute (ODI) maternal mortality is projected to fall from 195 to 152 deaths per 100,000 live births between 2015 and 2030. However, progress would need to be almost three times faster to meet the SDG target of 70 deaths per 100,000 live births.¹

IPPF remains concerned that without the WBG committing to a dedicated strategy and ringfenced financing window for SRH, future financing for SRH may decrease because of lack of prioritization and political will for SRH at the national level. Moreover, without clear

¹ Overseas Development Institute (ODI), Projecting progress Reaching the SDGs by 2030, September 2015, available at: <u>http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9839.pdf</u>



accountability mechanisms, at both the global and national levels, there will be no way of tracking spending and monitoring whether financing for SRH increases in future years.

Looking to the future...

Future funding for SRHR

2015 marks a critical year in the design of a new development financing architecture: the revision of donor and national development policies and the transition from the Millennium Development Goal framework to the SDGs. Governments are deciding how to mobilize sufficient financing to support national realization of the SDGs.

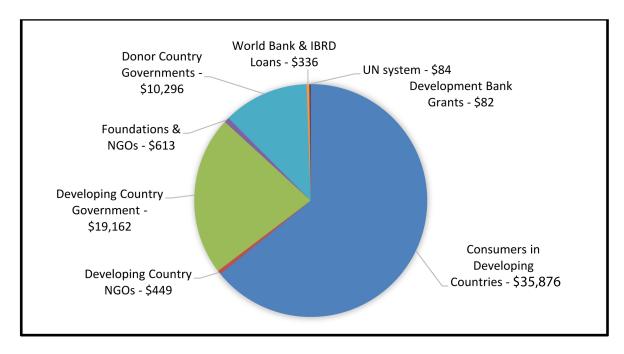
Current funding levels for SRHR globally are below what is necessary to meet current needs. <u>The Guttmacher Institute's most recent estimates in 2014</u> show that the annual total cost of sexual and reproductive health care is \$39.2 billion and it shows that sexual and the reproductive health services fall short of needs in developing regions. An estimated 225 million women who want to avoid a pregnancy are not using an effective contraceptive method. Because increases in contraceptive use have barely kept up with growing populations, this number is virtually unchanged since the Guttmacher <u>Adding It Up report for 2008</u>.

The Global Financing Facility (GFF) is being spearheaded by the WBG and the Governments of Norway and the United States in support of Every Woman Every Child. The overall goal of the GFF is to contribute to ending preventable maternal, newborn, child and adolescent deaths by 2030 and improve the health and quality of life of women, adolescents and children. IPPF welcomes the ambition of the GFF to deliver additional sustainable financing for SRH, however, we are concerned that much more investment will be needed to close the current financing gap.

According to the GFF business plan, closing the financing gap entirely would prevent an estimated 3.8 million maternal deaths, 101 million child deaths, and 21 million stillbirths in high-burden countries by 2030. However, the scale of the GFF will be determined by the commitments that are made by donors to the Facility. To date, donor commitments for the GFF include grants of US\$600 million from Norway and US\$200 million from Canada and commitments from the Bill & Melinda Gates Foundation, Canada, Japan, and the United States which total \$214 million.

Donor commitments made to date are only a fraction of what is needed to meet the sexual and reproductive health needs of women and girls across the world. Moreover, the donor pledges made so far are one-off commitments and do not reflect the annual amount available for GFF priority countries. The annual draw down countries will be able to access is not clear yet and is likely to be a fraction of the money from pledges made so far. **Recommendation 1: IPPF recommends that donor pledges to the GFF must deliver new and additional funds for sexual and reproductive health.**







(Data source: UNFPA/NIDI Resource Flows project)

As Figure 1 illustrates, consumer out-of-pocket payments in developing countries account for the single greatest source of financing for the ICPD costed package², followed by developing country governments. Donor governments also contribute a meaningful portion of aid for the ICPD costed package. The WBG contributes very little to the overall ICPD costed package.

IPPF recognizes that additional international and domestic funding is needed for SRHR. However, IPPF is concerned about the emphasis on using the GFF trust fund to increase domestic financing as it explicitly links grant to loan funding. This could have negative implications for countries as they incur further cycles of indebtedness, and does not build a sustainable model of financing for SRHR.

The ambition of the GFF is to increase global and national financing for reproductive, maternal, newborn, child and adolescent health (RMNCAH). IPPF and other SRHR civil society organizations have advocated for sexual and reproductive health to be prioritized within the GFF, as a key component of RMNCAH.

IPPF is concerned about the GFF's emphasis on domestic resources in light of the fact that currently, consumer out-of-pocket payments in developing countries appear to account for the single greatest source of financing for the International Conference on Population and Development (ICPD) costed package.³

² The ICPD revised costs are considered minimum estimates required to finance the costed population package which includes interventions in the areas of family planning, reproductive health, STI/HIV/ AIDS, and basic research, data and population and development policy analysis.

³ Compernolle, L., Hoehn, K., Koenig, S. (April 2015) Post-2015 Financing for reproductive Health Supplies, Rapid Assessment-Advocacy Mapping.

The ICPD costed population package includes: family planning services, reproductive health services, STI/HIV/AIDS activities and basic research, data and population and development policy analysis.



Recommendation 2: Considering this, IPPF recommends that the GFF's emphasis on domestic resourcing does not inadvertently increase private out-of-pocket financing for reproductive health services and supplies, particularly for the poorest and most vulnerable populations. IPPF is concerned about the negative implications of linking grant and loan funding for sustainable financing for SRHR. According to the business plan, the GFF plans to highly "incentivize" IDA and IBRD loans for financing of RMNCAH. In order to obtain GFF grant resources, countries will be required to accept IDA or IBRD loan financing.

This has implications for the conditions of funding that governments enter into, impacting on the sustainability of their financing for health. As grants will be linked to loan financing, this could create future of cycles of indebtedness for governments already struggling to finance core sectors such as health. It is generally accepted that loan/debt financing of annually recurring operating ("current") costs⁴ increases the overall financial burden of those costs and risks undermining economic development unless certain factors are in place. Put simply, as non-concessional loans and market-like instruments are designed to return profits to capital providers, they increase the net cost of development effort, which in turn increases the burden on developing countries. IPPF recommends that in order to ensure that loan/debt financing does not undermine sustainable development, these instruments should be considered generally inappropriate for financing of recurring operating (current) costs, except in clearly specified circumstances, such as if the loan is planned to (a) serve as a bridge that fills a gap in financing due to known/planned donor disbursement delays; (b) with a donor guarantee / pledge backing; and (c) highly concessional in the case of Least Developing Countries (LDCs).

Recommendation 3: IPPF recommends that mechanisms within the GFF should make available sufficient grant assistance to ensure that access to essential reproductive health information, services and supplies is ensured without loan/debt financing of annually recurring operating costs.

Recommendation 4: IPPF recommends that the GFF should cover financing for both targets relating to SRHR under SDG 3 (Ensure healthy lives and promote well-being for all at all ages) and SDG 5 (Achieve gender equality and empower all women and girls).

The business plan sets out that the GFF will finance SDG Goal 3 "*Ensure healthy lives and promote well-being for all at all ages*", but does not propose that GFF funding will also cover goal 5, '*Achieve gender equality and empower all women and girls*'.

This is important as SDG 5 and its related targets will cover the full range of sexual and reproductive health services, as well as reproductive rights, covered under the ICPD Programme of Action costed package, which is broader than what is currently included in SDG 3. IPPF recommends that the GFF is linked to the range of <u>targets</u> included under SDGs 3 and 5, as solely linking the GFF to <u>indicators</u> under the relevant SDGs could lead to

- Information-education-communications activities
- Control of communicable and non-communicable diseases
- Health surveillance and promotion activities
- Hospital/other health and nutrition services, support services
- Health policy reform
- Capacity building
- Health care practitioner training
- Strengthening of personnel recruitment and management

⁴ World WBG / International Development Association (IDA) loans reported in the OECD DAC database under Population Assistance sector coding frequently indicate coverage of annually recurring, operating "current" costs, including:



the financing of a narrower range of services covered only by the given indicator (e.g. met need satisfied by modern contraceptives).

Recommendation 5: IPPF recommends that the GFF financing is linked to the targets under both the SDGs 3 (Ensure healthy lives and promote well-being for all at all ages) and SDG 5 ('Achieve gender equality and empower all women and girls).

Recommendation 6: IPPF recommends that civil society must have a role in the creation and validation of GFF related national plans and financing maps, and have a strong role in ensuring monitoring and accountability.

Civil society must be included in the creation of national investment cases and health financing strategies, as well as in the development and validation of financing plans. Civil society must have a role in any subsequent follow-up and monitoring processes, and should be given the space and resources to undertake an independent monitoring role, tracking the implementation of the GFF at national and global levels and holding governments and the donor community to account when they fail to deliver. Although the business plan mentions engagement with civil society, there is a need for an operational model that formalize civil society engagement (including in planning, implementation and evaluation at the national level) and ensures this is consistent and meaningful.

The GFF business case states that the investment case is subject to a quality assurance processes that involves an independent review, including international experts to ensure that issues (such as family planning), and populations (such as adolescents), that have historically seen under-investment are included in investment cases. Much hinges on this review group and more detail is required to understand who will be on the review group and whether civil society, in particular, will be included and supported financially to participate in this group as part of its role in ensuring accountability. The GFF business plan acknowledges that despite evidence of their cost-effectiveness, reproductive health and groups such as adolescents have been neglected in past investments in health. IPPF recommends that there are mechanisms to ensure their inclusion in national investment plans.

Recommendation 7: In order to ensure accountability and transparency, IPPF urges the WBG to put in place systems for annually monitoring GFF funding for sexual and reproductive health. This would require that the WBG put in place reporting systems for countries receiving GFF funding, with baseline indicators that should be monitored to measure progress, as well as disaggregated data to monitor funding by thematic area.



- 1. IPPF recommends that donor pledges to the GFF must deliver new and additional funds for sexual and reproductive health.
- 2. Donors, multi-lateral institutions and national governments should continue and increase investment in the full range of sexual and reproductive health and rights services, including rights-based family planning. Particular attention should be paid to investing in maternal health and HIV prevention, both of which are leading causes of death among women of reproductive age in low- and middle-income countries.
- **3.** IPPF recommends that the GFF's emphasis on domestic resourcing does not inadvertently increase private out-of-pocket financing for reproductive health services and supplies, particularly for the poorest and most vulnerable populations. This information should be measured and monitored so that impact can be tracked.
- 4. IPPF recommends that in order to assure that loan/debt financing does not undermine sustainable development, loans should be considered generally inappropriate for financing of recurring operating (current) costs, except in clearly specified circumstances. Rather, IPPF recommends that mechanisms within the GFF should make available sufficient grant assistance to ensure that access to essential reproductive health information, services and supplies is ensured without loan/debt financing of annually recurring operating costs.
- 5. IPPF recommends that the GFF should contribute to financing for targets relating to SRHR under SDG 3 (Ensure healthy lives and promote well-being for all at all ages) and SDG 5 (Achieve gender equality and empower all women and girls).
- 6. IPPF recommends that civil society must have a formalized role in the creation of national plans and financing maps related to the GFF, and have a strong role in ensuring accountability for GFF related expenditure.
- **7.** In order to ensure accountability and transparency, IPPF urges the WBG to put in place systems for annually monitoring GFF funding for sexual and reproductive health.

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