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# IMAP Statement

# on development financing for sexual and reproductive health and rights

Changes to existing financing arrangements present both threats and opportunities for sexual and reproductive health and rights funding.

## Purpose of this Statement

This Statement has been prepared by the International Medical Advisory Panel (IMAP) and was approved in November 2015.

The Statement aims to summarize emerging development finance challenges and opportunities for sexual and reproductive health and rights. The messages described here can help stakeholders influence decision making, increase funding, and improve financial flows for sexual and reproductive health and rights.

## Intended audience

This IMAP Statement is primarily intended for use by IPPF Member Associations. It is also aimed at all organizations, activists and researchers, as well as policy and decision makers who are working to improve sexual and reproductive health coverage in resource-poor settings.

## Background

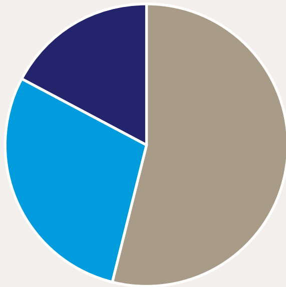
Policy makers have known for many years that not enough money is directed toward helping people access sexual and reproductive health and rights, even though it is one of the very few investments that has benefits more than 15 times greater than its cost.[1] Meeting the much-needed access to modern contraception, maternal and newborn health care, antiretroviral treatment, and treatment for major curable sexually transmitted infections requires US$39.2 billion each year, more than double the 2014 spending.[2]

In July 2015, heads of state and governments from around the world agreed to the Addis Ababa Action Agenda 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 Action Agenda sets out a framework and concrete actions to finance sustainable development, including the Sustainable Development Goals adopted by the United Nations in September 2015. The framework is not new: it builds on a year of inter-governmental consultation and several past international conferences devoted to development finance and aid effectiveness.

Changes to existing financing arrangements present both threats and opportunities for sexual and reproductive health and rights funding. In theory, all financial interactions can have an impact on the availability of sexual and reproductive health and rights, by affecting money flows from the macro-economic level to the level of the individual person.

Helping people access sexual and reproductive health and rights is one of the very few investments that has benefits more than 15 times greater than its cost.

**Figure 1: International Conference on Population and Development – costed package financing in 2013 (US$ millions)**



- Consumer out-of-pocket 54%
- Developing country governments 29%
- Donor governments 17%

Data source: UNFPA/Netherlands Interdisciplinary Demographic Institute Resource Flows Project

## Reviewing the problem

As shown in Figure 1, consumer out-of-pocket spending in developing countries represents the largest source of financing for the United Nations 'costed package' for the Programme of Action agreed at the International Conference on Population and Development.[3] Developing country governments provide the second largest share. Donor governments contribute less than either consumers or developing governments.[4]

Experts typically describe development finance in five major categories: domestic public, domestic private, international public, international private, and blended financing. Blended financing is the newest type to be used for sexual and reproductive health and rights. It is typically the most complex – and the least transparent. The funds used in blended financing mechanisms pass through many hands before reaching their final destination. In all five categories, financial flows for sexual and reproductive health and rights in recent years appear to have gone up, along with finance for development as a whole, although some donors have announced major official development assistance cuts starting in 2015. Table 1 explains these categories.

**TABLE 1: DEVELOPMENT FINANCE CATEGORIES**

| Finance category | What this means/what it includes | Examples |
|---|---|---|
| Domestic public | Funds from governments in developing countries | • Government funded clinics<br>• Government subsidized contraception |
| Domestic private | Funds from private companies, civil society organizations, non-governmental organizations, non-profit organizations and individuals (for example, 'out-of-pocket') in developing countries | • Private sector pharmacies<br>• Charity hospitals<br>• IPPF Member Association clinics<br>• Mother buying reproductive health supplies<br>• Young person buying condom |
| International public | Funds from donor governments | • Projects funded by USAID and the UK Department for International Development<br>• Projects funded by UNFPA |
| International private | Funds from companies, non-profit organizations and private philanthropic charities based outside developing countries | • Products sold by companies (for example, most contraceptives and reproductive health supplies)<br>• Projects funded by charitable foundations and non-governmental organizations (for example, IPPF) |
| Blended funds | Combination of grant money, which does not have to be repaid, with money that generates financial returns for the investor<br><br>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 | • Company projects or products that are funded by government loans<br>• Projects that receive funds from governments as well as 1) companies or 2) civil society organizations, non-governmental organizations or non-profit organizations<br>• 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<br>• Developing country government projects that are financed through loans from public financial institutions |

Development aid to low-income countries has been falling, although they do not have the resources or infrastructure to self-finance the health needs of their populations.

## Challenges and opportunities

Ten key issues highlight how changes in development finance present challenges and opportunities for financing and advocacy for sexual and reproductive health and rights.

### 1 MORE AID NEEDED

**Issue**: Development aid to low-income countries has been falling, although they do not have the resources or infrastructure to self-finance the health needs of their populations.[5,6]

**Opportunity**: The Addis Ababa Action Agenda reaffirms the commitment of donors to honour the aid target of 0.7 per cent official development assistance/gross national income agreed in Monterrey in 2002 and to increase aid to low-income countries.

**Challenge**: Repeating a commitment does not make it a reality. Competing development finance priorities, such as climate and security, may effectively reduce funding for sexual and reproductive health and rights.

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

### 2 TRANSPARENCY REQUIRED

**Issue**: Governments are increasingly shifting money from classic aid (grants) to companies through complex new financing instruments such as blended financing.

**Opportunity**: Increasing development funding provides an opportunity to direct and increase private sector resources for sexual and reproductive health and rights in developing countries.

**Challenge**: There is a shortage of transparency, accountability measures and actual evidence on the relative cost-effectiveness of blended financing. Current data, evidence and reporting requirements are insufficient for monitoring and accountability.

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

### 3 CARE WITH LOANS

**Issue**: More development finance is being channelled through market-like and grant-like loans.

**Opportunity**: Loans enable governments to direct large volumes of money toward development finance without significantly affecting government budgets or accounts, because financial institutions are allowed to issue loans and debt funding with only a small amount of government investment.

**Challenge**: Loans generally increase the net cost of development efforts, which in turn increases the burden on developing countries. Loan/debt financing of annually recurring costs, such as reproductive health supplies and services, increases the overall financial burden and risks undermining sustainable development.

**Message**: Governments must exercise caution in using loans and debt financing. Creditors should provide consistent, transparent and verifiable information about their decision making, disbursements and impact.

### 4 FUNDING FOR THE INTERNATIONAL CONFERENCE ON POPULATION AND DEVELOPMENT PROGRAMME OF ACTION IS ESSENTIAL

**Issue:** Most development finance decision makers do not know about – or understand – the importance of the International Conference on Population and Development Programme of Action for achieving sustainable development.

**Opportunity:** The Sustainable Development Goals reaffirm the International Conference on Population and Development Programme of Action, and the Addis Ababa Action Agenda affirms government support for "the implementation of relevant strategies and programmes of action."

**Challenge:** As neither donor nor developing country governments have honoured their commitment to fully financing the International Conference on Population and Development Programme of Action, the challenge remains to find ways to ensure that they keep this commitment.

**Message**: Full International Conference on Population and Development financing is essential to achieve sustainable development and universal health coverage.

### 5 SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS ARE ESSENTIAL

**Issue:** The Addis Ababa Action Agenda commits governments to a new 'social compact' that will ensure national social protection systems for all.

**Opportunity:** Including sexual and reproductive health and rights in universal national social protection and essential public service systems could expand access dramatically.

Full access to sexual and reproductive health and rights is essential to promote gender equality, the empowerment of women and girls, and female participation in the labour market.

**Challenge:** Advocates must demonstrate nationally, in all countries, that sexual and reproductive health and rights information, services and supplies constitute an essential public good that must be included within national social protection systems.

**Message**: Sexual and reproductive health and rights information, services and supplies are essential. National governments must include them in social compacts in order to guarantee access for all.

### 6 CARE WITH TAX INCREASES

**Issue:** Domestic developing country tax and fee collection will increase.

**Opportunity:** Strengthening government resources can increase national government funding devoted to sexual and reproductive health and rights, health and social protection systems.

**Challenge:** As consumers now pay for most sexual and reproductive health and rights information, services and supplies with their own funds, any tax collection which reduces consumer spending money must be compensated for by improved access through better public services.

**Message**: Increasing tax revenue must increase, rather than hamper, access to sexual and reproductive health and rights.

### 7 WOMEN'S EQUALITY REQUIRES UNIVERSAL SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS

**Issue:** The Addis Ababa Action Agenda commits governments to empowering all women and girls, ensuring women's equality, and promoting and protecting child rights.

**Opportunity:** Efforts to empower women and girls, and honour their rights, provide an opportunity to improve access to sexual and reproductive health and rights.

**Challenge:** Decision makers must ensure sexual and reproductive health and rights, including quality reproductive health supplies, in order to achieve equality for women.

**Message**: Full access to sexual and reproductive health and rights is essential to promote gender equality, the empowerment of women and girls, and female participation in the labour market.

### 8 SUPPORT LOCAL CIVIL SOCIETY ORGANIZATIONS FOR ACCOUNTABILITY

**Issue:** In recognition of increasing decentralization of decision making from national to sub-national level in developing countries, governments committed themselves to strengthening local government capacity in the Addis Ababa Action Agenda.

**Opportunity:** Improving sub-national government capacity could improve access to sexual and reproductive health and rights.

**Challenge:** Sub-national governments generally do not prioritize sexual and reproductive health and rights, as they lack sector-specific knowledge. Local civil society itself does not have the capacity to help local governments, nor to hold them accountable for their sexual and reproductive health and rights responsibilities.

**Message**: Governments must fund local civil society to monitor sub-national decision making and impact.

### 9 BETTER EVIDENCE NEEDED

**Issue:** Data and evidence regarding development finance for sexual and reproductive health and rights are insufficient to know with certainty where money is coming from and where it is going (in other words, who pays and who benefits).

**Opportunity:** The Addis Ababa Action Agenda includes strong support to strengthen disaggregated data collection and monitor development finance.

**Challenge:** National and international data strengthening and monitoring efforts must explicitly include and address precise data related to sexual and reproductive health and rights.

**Message**: Governments must fund research at global, national and sub-national levels to assess the impact of development financing on sexual and reproductive health and rights, and ensure evidence-based decision making.

### 10 PEOPLE IN POVERTY IN MIDDLE-INCOME COUNTRIES NEED HELP

**Issue:** As national per capita income rises, countries often become ineligible for aid, even though most people living in poverty live in middle-income countries.

**Opportunity**: The Addis Ababa Action Agenda includes a commitment to supporting poverty reduction in middle-income countries.

**Challenge**: Special interventions must be developed to address the sexual and reproductive health and rights needs of vulnerable and poor people in middle-income countries.

**Message**: Governments must assess the funding needs and address special challenges in middle-income countries.

Advocates must demonstrate nationally, in all countries, that sexual and reproductive health and rights information, services and supplies constitute an essential public good that must be included within national social protection systems.

## Decision making entry points

### THE GLOBAL FINANCE FACILITY FOR REPRODUCTIVE, MATERNAL, NEWBORN, CHILD AND ADOLESCENT HEALTH

The Global Finance Facility concretely manifests the trends affirmed in the Addis Ababa Action Agenda. This initiative – funded by Canada, Japan, Norway, USAID, and the Bill and Melinda Gates Foundation – is managed by the World Bank with input from a wide range of stakeholders. The Global Finance Facility is designed to support the aims of the UN's 'Every Woman Every Child' initiative and may become the main financing mechanism for Sustainable Development Goal 3 ('healthy lives').

Global Finance Facility country approaches include 1) country-level consultation with government and 2) development of a three-to-five-year country investment framework. Four front-runner countries are prioritized – the Democratic Republic of Congo, Ethiopia, Kenya and Tanzania – and a second tier of countries identified for scale-up: Bangladesh, Cameroon, India, Liberia, Mozambique, Nigeria, Senegal and Uganda. Many of the advocacy messages identified in the section above apply directly to the Global Finance Facility: it relies heavily on loans, does not build a sustainable model for financing reproductive health, and does not prioritize rights-based approaches to advance Sustainable Development Goal 3 ('healthy lives') and Goal 5 ('gender equality'). Civil society must engage to ensure that reproductive health is included in Global Finance Facility country investment frameworks, along with civil society participation in Global Finance Facility accountability and oversight at both national and international levels.

The 'Global Finance Facility Country Consultations Fact Sheet' provides additional detail on how to engage effectively with this instrument (see Resources section).

### NATIONAL ACTION, BY IPPF MEMBER ASSOCIATIONS AND OTHER NATIONAL ORGANIZATIONS

The Addis Ababa Action Agenda will generally be implemented through the national decision making processes that have binding legal status in all countries. Donor governments will decide how to focus their development finance efforts. Developing countries will decide how to strengthen their internal systems to better address the challenges of sustainable development.

In all countries, IPPF Member Associations and sexual and reproductive health and rights advocates must find country-specific entry points to convince finance decision makers to address the above issues in an effective and meaningful way. Examples include the following:

- Keeping up pressure on parliamentarians and government leaders to honour government financial commitments to official development assistance, sexual and reproductive health and rights, and health, as well as gender equality and women's empowerment.
- Working with parliamentarians 1) to demand that finance ministries disclose the details of blended financing arrangements and loans and 2) to commission independent assessments of the relative cost-effectiveness and impact of these financial instruments compared with public sector and non-profit arrangements.
- Continuing to raise public demand and intervene on technical working groups to increase national social protection system funding of sexual and reproductive health and rights and the International Conference on Population and Development Programme of Action as essential to women's equality and sustainable development.
- Working with communications and recommendations from IPPF, the Reproductive Health Supplies Coalition and other groups on how to focus and strengthen advocacy on these issues.

IPPF has developed a number of advocacy guidebooks and toolkits that can provide additional guidance on effective national advocacy approaches and techniques. See Resources section for suggestions.

### INTERNATIONAL ACTION

Internationally, there will continue to be global and regional conferences where sexual and reproductive health and rights advocates have the opportunity to influence decision makers. Several of these are identified in the Resources section, including advocacy entry points and opportunities, key stakeholders to approach and actions to take.

## Resources

- More information about the commitments that governments around the world have made in the **Addis Ababa Action Agenda**, the Action Agenda itself and a civil society declaration are available at http://www.un.org/esa/ffd/ffd3/documents.html
- The IPPF document ***Financing Demystified with Glossary*** provides an in-depth and user-friendly explanation of these issues, and is available at http://www.ippf.org/sites/default/files/ippf_financingdemystified_1.pdf
- The ***Global Finance Facility Country Consultations Fact Sheet*** provides a more detailed explanation of how to engage in the decision making of the Global Financing Facility for reproductive, maternal, newborn, child and adolescent health at national level, and is available at http://www.ippf.org/sites/default/files/gff_country_factsheet.pdf
- Information about **advocacy entry points and specific opportunities to engage** is available at http://www.ippf.org/sites/default/files/ippf_post2015_financing_calendar.pdf
- Information about **effective advocacy techniques** is available at https://www.ippfwhr.org/en/publications/handbook-for-advocacy-planning
- The detailed **technical research** behind this IMAP Statement, including an annotated bibliography of 157 studies, is available at http://www.rhsupplies.org/uploads/tx_rhscpublications/Post-2015_financing_for_Reproductive_Health_Supplies.pdf

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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.

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