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The Programme of action adopted at the 1994 international Conference on Population and Development (ICPD) in Cairo outlines specific funding targets to be met to achieve the ICPD population and development objectives. The declaration of Commitment on HIV/AIDS adopted at the 2001 United Nations General Assembly Special Sessions (UNGASS) on HIV/AIDS urges the international community to supplement the efforts of developing countries through increased international development assistance, particularly for those countries most affected by HIV/AIDS. The project on 'Financial Resource Flows for Population and AIDS Activities' aims at monitoring expenditures and future commitments for population and AIDS programmes in response to the ICPD and the UNGASS on HIV/AIDS.

The 'Resource Flows' Project is a joint collaboration between the United Nations Population Fund (UNFPA), the Joint United Nations Programme on HIV/AIDS (UNAIDS) and the Netherlands Interdisciplinary Demographic Institute (NIDI).

Resource Flows NIDI P.O. Box 11650 2502 AR The Hague The Netherlands

Tel +31 (0)70 356 52 29 Fax +31 (0)70 356 52 99 E-Mail resflows@nidi.nl

www.resourceflows.org www.unfpa.org www.unaids.org

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The purpose of the UNFPA/UNAIDS/NIDI Resource Flows Newsletter is to inform donor and developing country governments, public and private organisations, research institutes, universities and civil society about resource tracking for population and AIDS activities in general and the role of the Resource Flows (RF) project in particular.

The Report of the Secretary-General on the Flow of Financial Resources for Assisting in the Implementation of the Programme of Action of the International Conference on Population and Development¹

For the first few years after the International Conference on Population and Development (ICPD), there was little progress to report as increases in funding for population and AIDS activities were negligible. In the year 2000, population and AIDS assistance stood at \$2.6 billion, only 46 per cent of the financial goal of \$5.7 billion agreed upon in Cairo as the international community's share in financing the ICPD Programme of Action. Since then, there was a slow, but steady upward trend in the direction of a concerted response to bridging the funding gap. By 2004, donor assistance increased to \$5.6 billion. If this trend continues, donor assistance may reach as high as \$6.9 billion in 2005 and may further increase to \$7.8 billion in 2006. These optimistic estimates presuppose that donors will continue to increase funding levels. Many major donors have not yet reported their 2005 figures. A rough estimate of resources mobilized by developing countries², as a group, yielded a figure of \$17.3 billion for 2005. This number is expected to increase to \$18.7 billion in 2006.

¹ The report will be submitted to the 40th Session of the United Nations Commission on Population and Development from 9 April to 13 April 2007.

² The term 'developing country' refers to developing countries and countries in transition.

These figures also presuppose that developing countries will continue to increase resources for population and AIDS activities.

Major Challenges in Implementing the ICPD Financial Targets

Resource mobilization is heavily dependent on a few key players. Population and AIDS assistance originates with a few major donors and the majority of domestic resources are mobilized in a few large developing countries. Most donor countries do not provide substantial funding for population and AIDS activities and most developing countries are not in a position to mobilize sufficient resources to fund much-needed population and AIDS programmes. Poor countries are faced with many competing development priorities and many of them simply cannot afford to make the necessary investments in population and AIDS.

Consumers bear the lion's share when it comes to population and AIDS expenditures. Although not easy to track, the role played by consumers in mobilizing resources is much larger than usually assumed. In many cases, this exceeds government and NGO expenditures for population and AIDS. Although variations exist between regions and



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countries, if spending on population and AIDS activities is completely in line with spending on health in general, then it is safe to assume that consumers in developing countries pay more than half of the burden of population and AIDS expenditures. Out-of-pocket spending by consumers, especially the poor, has important implications for policy initiatives aimed at reducing poverty and income inequality in the developing world.

STD/HIV/AIDS related activities are receiving the largest share of total population and AIDS funding.

There is a pronounced shift towards funding for STD/HIV/AIDS, from under 10 per cent of total population and AIDS assistance in 1995 to over half of all assistance ten years later. It should be pointed out that the ICPD targets for 2005 called for 8 per cent of total population and AIDS assistance for STD/HIV/AIDS prevention activities, 62 per cent for family planning services, 29 per cent for basic reproductive health services and 1 per cent for basic research, data and population and development policy analysis. The increased funding for AIDS related activities is expected to continue and to be especially prominent among donor countries. This funding is for prevention activities as well as treatment and care, especially substantial amounts of funding for anti-retroviral therapy. Since the Cairo financial targets include funding levels for prevention activities only, the achievement of the targets can be attributed in part to funding for anti-retroviral therapy. The accounting systems of many organizations make it extremely difficult to report on expenditures for prevention only. There are fears that the larger share of funding that goes to AIDS activities might distract the attention for the necessary funding for the other three elements of the ICPD costed population package. This is especially evident in the case of funding for family planning, where absolute dollar amounts are lower than they were in 1995. If not reversed, the trend towards less funding for family planning will have serious implications for countries' ability to address unmet

need for such services and could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality.

Escalating current needs and costs as compared to original ICPD estimates. The ICPD financial targets were fixed over ten years ago, with cost estimates based on experiences as of 1993. Since that time, the population and health situation in the world has changed dramatically. Infant, child and maternal mortality remain unacceptably high in many parts of the world. And no one had foreseen the escalation of the AIDS pandemic. In 1994, 14 million people were said to be living with HIV/AIDS; in 2006, this number increased to almost 40 million. UNAIDS estimated that global resource requirements amounted to \$15 billion in 2006, of which \$8.4 billion is required for prevention and \$3 billion for treatment and care. The ICPD financial targets of \$1.4 billion in 2005 and \$1.5 billion in 2010 (for prevention activities only) are far below these estimated requirements and should be revised upward to more accurately address current needs, including those for treatment. Funding for family planning and reproductive health, which has been lagging behind, must also increase proportionately with needs in these areas. In addition, since that time, health-care costs have increased substantially. Furthermore, the value of the dollar in 2005 is far lower than it was in 1993. As a result, the ICPD target of \$18.5 billion in 2005 is not sufficient to meet current developing country needs in the area of family planning, reproductive health, STD/HIV/AIDS and basic research, data and population and development policy analysis.

Population and reproductive health are central to development and the achievement of the Millennium Development Goals (MDGs). At the 2005 World Summit, world leaders committed themselves to "achieving universal access to reproductive health by 2015, as set out at the International Conference on Population and



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Development, integrating this goal in strategies to attain the internationally agreed development goals, including those contained in the Millennium Declaration, aimed at reducing maternal mortality, improving maternal health, reducing child mortality, promoting gender equality, combating HIV/AIDS and eradicating poverty” (A/RES/60/1, para 57(g)). The international community’s commitment to achieving the MDGs needs to incorporate the ICPD universal reproductive health services target so that funding for family planning and reproductive health services is secured along with increased funding for HIV/AIDS.

The new aid environment. The provision of aid is no longer business as usual. Given limited financial resources, issues of cost effectiveness and programme efficiency are increasingly in the forefront. It is not sufficient for resources to be mobilized, both donors and recipients must make sure that the resources are used for the benefit of all, especially the poor. Coordination of donor policies and identification of funding gaps are also essential. In an effort to reform the way in which aid is delivered and managed, ministers of both developed and developing countries responsible for promoting development and heads of multilateral and bilateral development institutions committed themselves to the Paris Declaration on Aid Effectiveness (March 2005) to increase the impact of aid on reducing poverty and inequality, increasing growth, building capacity and accelerating the achievement of the MDGs. The process of monitoring the Paris Declaration includes an aid effectiveness review to help countries and development assistance agencies share a common evaluation of progress and jointly direct action and resources to strengthen ownership, alignment, harmonization, results and mutual accountability.

It is essential that the international community continue to mobilize the required resources to implement the Cairo agenda to ensure that

appropriate resources are allocated to population and reproductive health in funding and programming mechanisms such as sector-wide approaches and poverty reduction strategies. It is also important to ensure that adequate resources are allocated to all areas of the ICPD costed population package: family planning services, reproductive health services, STD/HIV/AIDS and basic research, data and population and development policy analysis. It is particularly important to reach the ODA target of 0.7 per cent of GNP. Without a firm commitment to population, reproductive health and gender issues, it is unlikely that the goals and targets of the ICPD and the Millennium Summit will be met.

40th Session of the United Nations Commission on Population and Development

The Commission on Population and Development will be holding its fortieth session from 9-13 April 2007 at United Nations Headquarters in New York. The theme of the session is "the changing age structures of populations and their implications for development".

Besides this theme follow up actions to the recommendations of the International Conference on Population and Development are taken within the session, where the Commission would monitor, review, and assess the implementation of the Programme of Action of the International Conference on Population and Development at the national, regional, and international levels and advise the Council. The Report of the Secretary-General on the Flow of Financial Resources is part of this monitoring process.

Source: <http://www.un.org/esa/population/unpop.htm>.
Accessed: 14 March 2007



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International Guidelines to Producing Reproductive Health sub-Accounts

Reproductive health is a global priority and more specifically, the reduction of maternal mortality, is one of the MDGs. As countries and development partners channel more resources to reproductive health to reach this MDG, there is an additional need to monitor the use of these resources on a continuous basis. Though the various components and interventions of reproductive health can vary by country according to its income level and its demographic and epidemiological status, and consequently, its spending patterns, a guideline to monitor the resources for reproductive health in a standardized way is a priority complement to the (general) health accounts guidelines.

Therefore, WHO, in close collaboration with the Netherlands Interdisciplinary Demographic Institute (NIDI) and the “USAID-funded PHR_{plus} Project and the follow-on Health Systems 20/20 Project”, has recently developed *International Guidelines to Producing Reproductive Health sub-Accounts*. They are expected to be launched in the first half of 2007.

The guidelines discuss the need for Reproductive Health sub-Accounts and elaborate on the scope or boundaries, namely what should and what should not be included in the study to meet local policy needs and preserve international comparability of the findings. Besides, the guidelines provide the classification scheme to be used to categorise each type of reproductive health expenditure, as well as an overview of the tables generated from such a sub-account. In addition, issues related to primary and secondary data collection are extensively discussed. Attention is also given to data analysis and especially to resolving data gaps, conflicts, and estimations of reproductive health expenditures. Last but not least, process issues relating to implementation of the sub-account are touched upon: the guidelines address the presentation of results in view of full coverage of

relevant information and international comparability. Furthermore, they offer suggestions on forming a steering committee and the sub-account team, provide an illustrative work plan and timeframe, and describe critical actions that are indispensable for maximizing uptake of sub-account’ findings in policy formulation.

These guidelines draw upon experiences with reproductive health resource tracking from a number of countries including Rwanda, Ukraine, Jordan, Ethiopia, India (Karnataka), and Malawi. It is envisaged that these guidelines will be field tested in Bolivia, Colombia, Honduras and Nicaragua with support from the Inter-American Development Bank and in Rwanda, Kenya, and Uganda with support from USAID. In the future, the guidelines will be periodically revisited to update methods, data sources and recommendations.

For more information on the guidelines, you are invited to contact Ms. Patricia Hernández (WHO Geneva) at hernandezp@who.int

Out-of-pocket expenditure study on reproductive health and HIV/AIDS in rural Ethiopia

Following the out-of-pocket expenditure study in urban Nepal³, in November 2006 NIDI -in collaboration with the Department of Community Health of the Addis Ababa University- started a new study on out-of-pocket spending on reproductive health and HIV/AIDS in rural Ethiopia. The study will be part of the activities of the Demographic Surveillance Site in Butajiri, which is one of the 26 INDEPTH Network sites in Africa⁴. The contribution of households to the flow of resources in the delivery of reproductive health services and the prevention and control of HIV/AIDS will be estimated using a

³ See RF Newsletter October 2006

⁴ See <http://www.indepth-network.org>



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population-based survey. Data will be compared with results from a provider survey. Besides assessing levels of individual and household spending, equity of household expenditures on reproductive health and HIV/AIDS services will be examined across gender and life-course stages. Furthermore, household spending will be directly related to wealth status, costs of public and private health service provision, and general health expenditure. In addition, costs of time and in-kind contributions will be valued.

Mission Report:

Refresher training on Resource Flows Domestic Data Collection and Processing, offered to the Indian Institute of Health Management Research, Jaipur, India

30 October - 2 November 2006

Since September 2005 the Resource Flows Project has outsourced part of the annual mail survey. The domestic survey data collection including data entry and respondent follow-up activities are carried out by the Indian Institute of Health Management Research (IIHMR) in Jaipur, India. Before the start of this operation a two-week training course for two IIHMR staff members was organized by the RF project in The Hague. The first domestic survey outsourced was the data collection for financial year 2004 (RF 2004). In summer 2006 the outsourcing operation was evaluated and the decision was made to strengthen the cooperation with IIHMR.

To ensure that IIHMR will be able to successfully carry out the RF 2005 survey, a refresher course was offered to IIHMR staff by NIDI in Jaipur in fall 2006. The two most important objectives of this course were to (1) refresh general aspects of the RF data collection, and (2) enable a smooth integration of UNAIDS' National AIDS Spending Assessment (NASA) in the RF 2005 survey cycle.

The domestic survey covering the financial year 2005 is the first RF survey to collect financial data on spending towards STD/HIV/AIDS activities according to the spending categories defined in the UNAIDS NASA methodology. The introduction of NASA, which has been discussed in earlier issues of the RF Newsletter⁵, entailed major changes to the RF domestic questionnaires, directed at NGOs and government departments in developing countries. To guarantee a successful transition, the concept of NASA, the NASA spending categories and possible issues that could arise from the introduction were extensively discussed during the training.

The visit to Jaipur has helped strengthen the partnership between NIDI and IIHMR. Both institutes look forward to a fruitful cooperation in the future. Nevertheless, it is the domestic respondents whose input is essential to make the RF 2005 domestic survey and the introduction of NASA work. The Resource Flows staff at NIDI and IIHMR will do their best to assist and support domestic respondents in this exciting and challenging domestic data collection round.

⁵ See RF Newsletter January 2006