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**Follow-up actions to the recommendations of the
International Conference on Population and Development****Flow of financial resources for assisting in the
implementation of the Programme of Action of the
International Conference on Population and Development****Report of the Secretary-General***Summary*

The present report responds to a request made at the twenty-eighth session of the Commission on Population and Development for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development. It also complies with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the flows of financial resources for assisting in the implementation of the Programme of Action.

The report examines expected levels of donor and domestic expenditures for population activities in developing countries for 2006 and provides estimates for population expenditures in 2007 and projections for 2008.

Donor assistance has been increasing steadily over the past few years, reaching US\$ 7.4 billion in 2005. It is expected to reach \$8.1 billion in 2006 and may increase further to \$9.8 billion in 2007 and to \$10.3 billion in 2008. These optimistic estimates presuppose that donors will continue to increase funding levels. A number of major donors have not yet reported their 2006 figures. A rough estimate of resources mobilized by developing countries, as a group, yielded a figure of \$23 billion for 2006. This number is expected to increase to \$25 billion in 2007 and to \$27 billion in 2008. These figures also presuppose that developing countries will

* E/CN.9/2008/1.



continue to increase resources for population activities. The increase in the flow of financial resources has been primarily a result of the increase in funding for HIV/AIDS activities.

Even if estimates and projections hold and the financial targets of the Conference are met and, indeed, surpassed, the resources mobilized will not be sufficient to meet current needs, which have grown dramatically since the targets were agreed upon in 1994. At that time, the population and health situation in the world was much different from what it is today. No one had foreseen the escalation of the AIDS pandemic. Health-care costs have skyrocketed since then. And the value of the dollar today is far lower than it was when the targets were set. As a result, the financial targets are not sufficient to meet today's developing country needs.

The challenge before the international community is to mobilize sufficient resources to meet current needs in all critical components of the Conference's costed population package in order to implement the Conference agenda within the framework of the Millennium Development Goals. Additional resources are essential to address the AIDS pandemic. Funding for family planning and reproductive health, which has been lagging behind, must also be increased proportionately with needs in these areas. Without a firm commitment to population, reproductive health and gender issues, and the concomitant allocation of financial resources, it is unlikely that any of the goals and targets of the Conference or the Millennium Summit will be effectively met.

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I. Introduction

1. The present report has been prepared by the United Nations Population Fund (UNFPA) in response to a request made at the twenty-eighth session of the Commission on Population and Development¹ for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development² held in Cairo in 1994. The report is part of the work programme of the Commission and is submitted in accordance with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action.

2. The report reviews the flow of funds from donor countries for population assistance in developing countries³ and provides estimates of government and non-governmental expenditures for population activities in developing countries for 2006. It also includes donor and developing country estimates for 2007 and projections for 2008. Data collection activities for both donor and domestic resource flows were undertaken by the Netherlands Interdisciplinary Demographic Institute (NIDI) under a contract with UNFPA and the Joint United Nations Programme on HIV/AIDS (UNAIDS). Evaluation and analysis of data were carried out jointly by NIDI and UNFPA.

Methodology

3. A detailed questionnaire was mailed to over 100 key actors in the field of population and AIDS, including major multilateral organizations and agencies, large private foundations and other non-governmental organizations that provide substantial amounts of population assistance, the Organization for Economic Cooperation and Development (OECD)/Development Assistance Committee (DAC) and donor countries although, increasingly, information from donor countries is obtained from the OECD/DAC database. In the absence of complete data from a number of the major donors by the publication deadline, the information contained in the present report is based on estimates and projections, taking into account past funding behaviour, reported future expected expenditures and recent trends.

4. Information on domestic resource flows is based on data supplied by Governments and non-governmental organizations in developing countries throughout the world, secondary sources and estimation and projection techniques.

5. The external and domestic financial resource flows for population activities analysed in the present report are part of the “costed population package” as specified in paragraph 13.14 of the Programme of Action of the International Conference on Population and Development. The package comprises family planning services; basic reproductive health services; sexually transmitted diseases

¹ See *Official Records of the Economic and Social Council, 1995, Supplement No. 7 (E/1995/27)*, annex I, sect. III.

² *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

³ All references to developing countries in the present report also include countries with economies in transition.

(STDs)/HIV/AIDS prevention activities;⁴ and basic research, data and population and development policy analysis. The Programme of Action estimated that the implementation of this population and reproductive health package in the developing countries and countries with economies in transition would cost US\$ 18.5 billion annually by 2005 and \$20.5 billion by 2010. Approximately two thirds of the projected costs would come from developing countries and one third, or \$6.1 billion in 2005 and \$6.8 billion in 2010, would come from the international donor community.

II. Donor assistance to population activities

6. Donor assistance to population activities continues to increase. For the first few years after the International Conference on Population and Development, there was little progress to report since increases were negligible. It is only recently that a significant increasing trend began to emerge. By 2005, donor assistance stood at \$7.4 billion. If this trend continues, and all indications are that it will continue, once all data are in, the 2006 figure could reach \$8.1 billion (see table 1). It is estimated that population assistance increased to \$9.8 billion in 2007. If donors live up to their expected future commitments, funding is projected to increase to \$10.3 billion in 2008 (see figure I). These estimates presuppose that donors will continue to increase funding levels as they did in the past few years. It should be pointed out, however, that even though the target has been surpassed, the amount mobilized is significantly below actual needs, which have escalated far above those estimated in 1993, particularly for HIV/AIDS.

Table 1

International population assistance, by major donor category, 2005-2008

(Millions of United States dollars)

<i>Donor category</i>	<i>2005</i>	<i>2006 (provisional)</i>	<i>2007 (estimated)</i>	<i>2008 (projected)</i>
Developed countries	6 346	7 031	8 764	9 160
United Nations system	96	101	106	111
Foundations/non-governmental organizations	364	382	402	421
Development bank grants	186	195	205	215
Subtotal	6 992	7 709	9 477	9 907
Development bank loans	367	367 ^a	367 ^a	367 ^a
Total	7 359	8 076	9 844	10 274

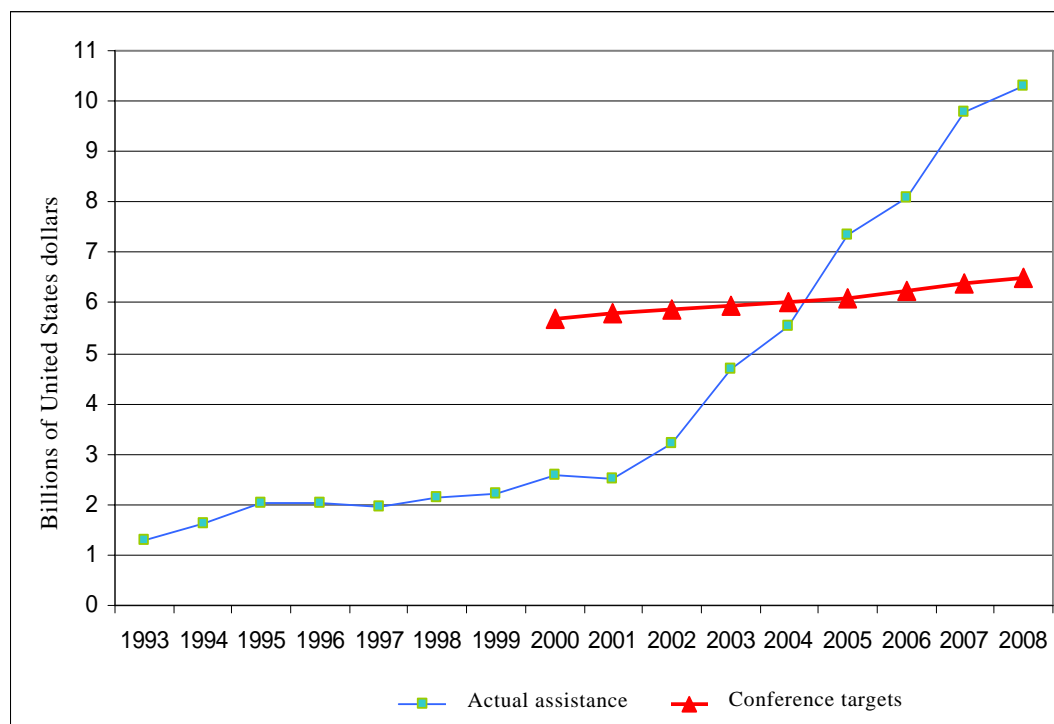
Source: UNFPA, 2007. *Financial Resource Flows for Population Activities in 2005* and Resource Flows Project database.

Note: Totals may not add up due to rounding.

^a Estimated at the 2005 level.

⁴ Beginning with the 1999 round of questionnaires, the UNFPA/UNAIDS/NIDI Resource Flows Project began to include data on HIV/AIDS treatment and care so as to address the growing reporting needs of UNAIDS and because it was becoming increasingly impossible for respondents to provide information on HIV/AIDS prevention activities only.

Figure I
**Population assistance as compared with targets of the International Conference
 on Population and Development**



Source: UNFPA, 2007. *Financial Resource Flows for Population Activities in 2005* and Resource Flows Project database.

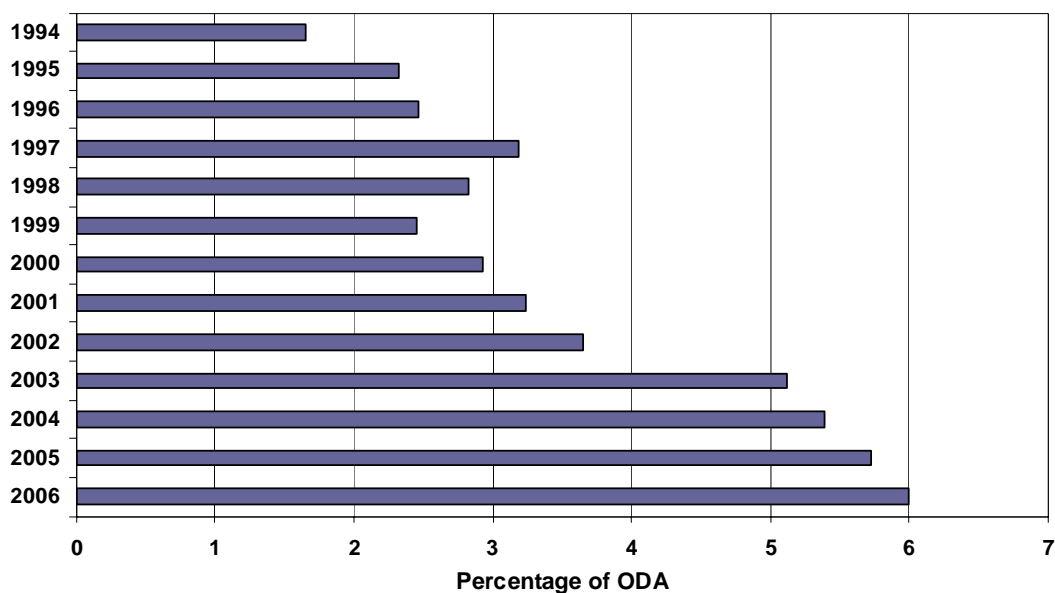
Note: Data on actual assistance for 2006 are provisional; data for 2007 are estimates; and data for 2008 are projections.

A. Bilateral assistance to population activities

7. Donor countries traditionally provide the largest share of population assistance. Bilateral assistance is estimated at \$7.0 billion in 2006, up from \$6.3 billion in 2005. According to preliminary estimates, donor countries provided \$8.7 billion for population activities in 2007. Projections for 2008 place this number at almost \$9.2 billion.

8. After several years of encouraging increases, official development assistance (ODA) decreased from \$106.8 billion in 2005 to \$103.9 billion in 2006. The percentage of total ODA that donor countries, as a group, contributed to population assistance increased slightly to 6.0 per cent in 2006 from 5.73 per cent in 2005. There are significant variations between countries in percentage of ODA spent on population activities.

Figure II
Population assistance of donor countries as a percentage of ODA, 1994-2006



Source: UNFPA, 2007. *Financial Resource Flows for Population Activities in 2005* and Resource Flows Project database.

Note: Data for 2006 are provisional.

B. Multilateral assistance to population activities

Grants

9. Multilateral assistance to population activities is provided by the organizations and agencies of the United Nations system, mainly from UNAIDS, UNFPA, the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO). Whatever the United Nations organizations receive for population assistance from OECD/DAC donor countries is considered to be bilateral assistance. The organizations' general funds not earmarked for population activities and interest earned on funds and money from income-generating activities that are spent on population activities are considered as multilateral assistance for population activities. Funds received from developing countries that organizations spend on population activities are a small portion of an organization's regular budget and are also included as multilateral assistance. Multilateral assistance, which was \$96 million in 2005, is expected to increase to around \$101 in 2006. Funding levels are not expected to change significantly in 2007 and 2008.

10. UNFPA is the leading provider of United Nations assistance in the population field, having provided support to 154 developing countries in 2006. UNFPA, which relies on voluntary contributions, uses the multi-year funding framework initiative, which emphasizes management for results, tying programme support to policy development and linking Conference targets and the Millennium Development Goals in the context of poverty reduction so as to stimulate resource mobilization.

Loans

11. Development banks, which provide loans to developing countries, are an important source of multilateral population assistance. Their contributions are treated separately from grants because their assistance is in the form of loans that must be repaid. The banks' projects reflect multi-year commitments recorded in the year in which they are approved but disbursed over several years. 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 and health survey and census work. In 2006, the World Bank made available \$114 million in loans for population activities.

C. Private assistance to population activities

12. Foundations, non-governmental organizations and other private organizations are also important sources of population assistance. In 2006, it is estimated that foundations and non-governmental organizations contributed \$382 million to population activities, up from \$364 million in 2005. The level of private assistance to population activities is not expected to change significantly in 2007 and 2008.

D. Expenditures for population activities by geographical region

13. Sub-Saharan Africa, which includes the majority of the least developed countries, continued to be the largest recipient of assistance, receiving more than half of all assistance given to the five geographical regions. Almost half of all population assistance went to fund global and interregional population activities, including such activities as advocacy, research, reproductive health, support to the Global Fund to Fight AIDS, Tuberculosis and Malaria, HIV/AIDS prevention, care and support and safe motherhood.

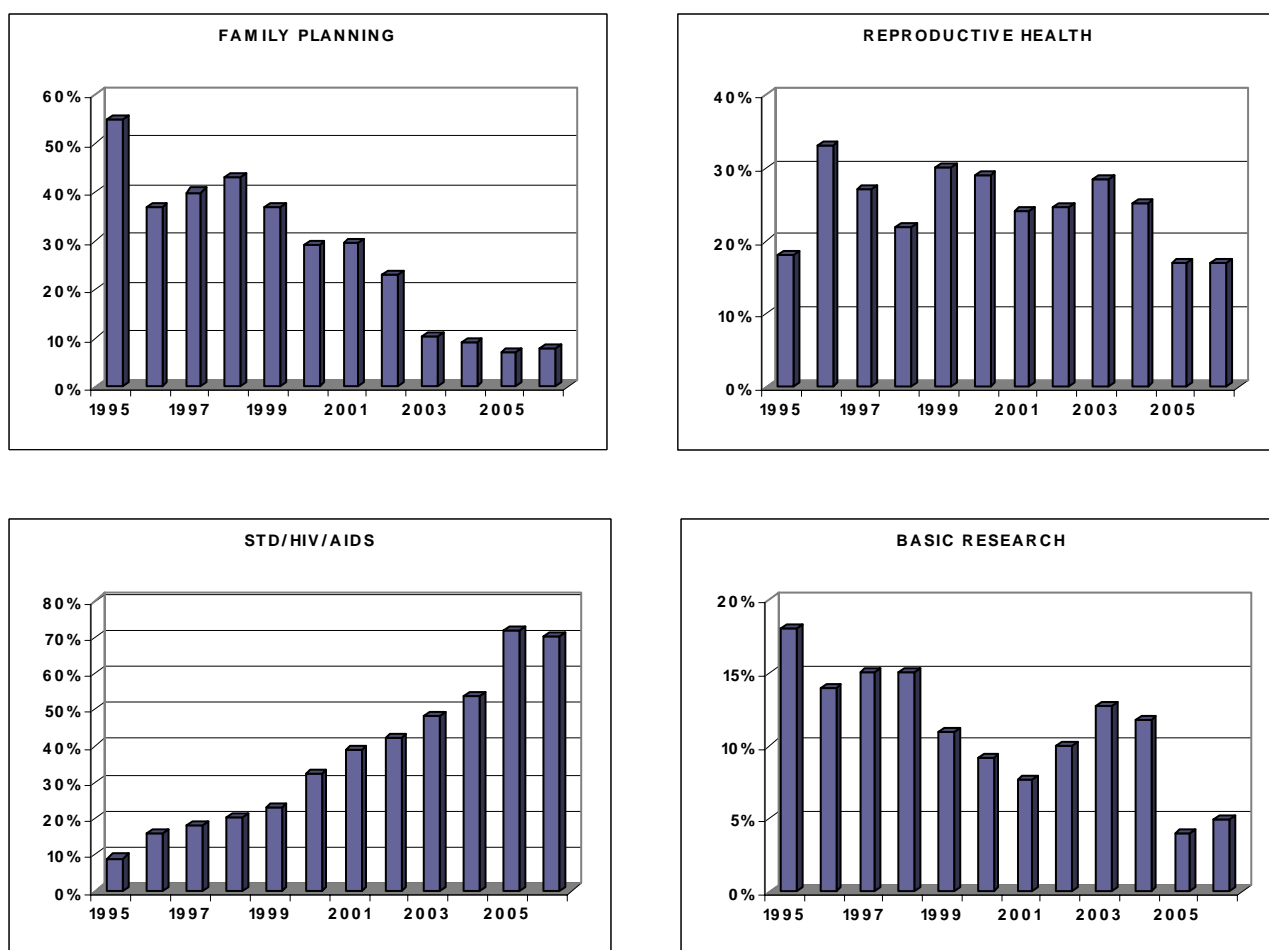
E. Expenditures for population activities by category of activity

14. UNFPA monitors expenditures for population activities by the following four Conference-costed population categories: (a) family planning services; (b) basic reproductive health services; (c) STDs/HIV/AIDS activities; and (d) basic research, data and population and development policy analysis. The largest and increasing proportion of total population assistance goes to fund HIV/AIDS activities (see figure III). Consistent with the call of the Conference for the integration of services, funding for basic reproductive health services increased, with fluctuations, from 18 per cent in 1995, peaked at 30 per cent in 1999, and subsequently decreased to 17 per cent in 2006, while explicit funding for family planning services decreased significantly, with fluctuations, from 55 to 8 per cent during the same period. Consistent with the rapid spread of the HIV/AIDS pandemic, funding for HIV/AIDS activities increased sharply from 1995 to 2006, from 9 to 70 per cent of total population assistance. Funding for basic research activities decreased, with fluctuations, from 18 per cent in 1995 to 5 per cent in 2006.

15. Funding for family planning services has decreased in absolute dollar amounts since 1995 when UNFPA first began monitoring resource flows by the four ICPD Conference-costed population categories. Although funding for reproductive health

and basic research activities increased, HIV/AIDS activities continued to receive by far the largest proportion of population assistance. Given the increased emphasis on addressing the global AIDS pandemic, including the Millennium Development Goal (goal 6) of combating HIV/AIDS, malaria and other diseases and the creation of the Global Fund to Fight AIDS, Tuberculosis and Malaria and the United States President's Emergency Plan for AIDS Relief, estimates for 2007 and projections for 2008 point to a continuation of this trend. In fact, donor countries are expected to continue to spend a large percentage of their population assistance on STDs/HIV/AIDS activities in 2007 and 2008.

Figure III
Expenditures for population activities as a percentage of total population assistance, 1995-2006



Source: UNFPA, 2007. *Financial Resource Flows for Population Activities in 2005* and Resource Flows Project database.

16. The growing trend towards integration of services and the increasing use of sector-wide approaches in development assistance are making it increasingly difficult for countries to readily distinguish between expenditures for population and other health-related activities and, within population, among family planning, reproductive health and STDs/HIV/AIDS activities.

F. Expenditures for population activities by channel of distribution

17. Assistance for population activities flows through a diverse network, moving from the donor to the recipient country through one of the following channels: (a) bilateral — directly from the donor to the recipient country Government; (b) multilateral — through United Nations organizations and bodies; and (c) non-governmental. The bilateral channel has overtaken the non-governmental organizations channel, which predominated during the past decade. In 2006, only about one fourth of population assistance was channelled by non-governmental organizations, compared with over half of the assistance that went via the bilateral channel. This trend is expected to continue in 2007 and 2008 largely as a result of bilateral AIDS programmes.

III. Domestic expenditures for population activities

A. Methodology

18. Domestic resources of developing countries account for the largest portion of funds required to achieve population and development objectives. The mobilization of adequate domestic financial resources is essential to facilitating full implementation of the Conference agenda. UNFPA has been monitoring domestic expenditures for population activities since 1997. This has been done primarily through the use of survey questionnaires sent to UNFPA country offices throughout the world for further distribution to Government ministries and large national non-governmental organizations. In many countries, local consultants were recruited to work with government authorities and non-governmental organizations in completing the questionnaires. Experience has shown that many Governments are often unable to supply the data requested because of funding, staffing and time constraints. In addition, countries that do not have well-developed systems for monitoring resource flows are unable to provide information, especially when funding is pooled in integrated social and health projects and sector-wide approaches. Furthermore, countries with decentralized accounting systems can only supply data on national expenditures and are not able to provide information on expenditures for population at subnational (lower administrative) levels.

19. Total global domestic expenditures for population activities presented in the present report are estimated using a methodology that incorporates the responses of the surveyed countries, together with prior reporting on actual and intended expenditures and secondary sources on national spending; and in the absence of such information, estimates and projections are based on national income as measured by the level of gross domestic product which proved the most influential variable explaining the growth of spending by Governments.⁵

⁵ See Marieke van der Pers and Erik Beekink, "Projections of funds for population and AIDS activities, 2006-2008", The Hague, 2007; Hendrik P. van Dalen and Daniel Reijer, "Projections of funds for population and AIDS activities, 2005-2007", The Hague, 2006; Hendrik P. van Dalen and Mieke Reuser, "Projections of funds for population and AIDS activities, 2004-2006", The Hague, 2005 and Hendrik P. van Dalen and Mieke Reuser, "Assessing size and structure of worldwide funds for population and AIDS activities", The Hague, 2005.

B. Estimates and projections of domestic expenditures

20. Table 2 presents estimates and projections of global domestic expenditures for population activities for 2006-2008. It shows a steady increase in domestic funding for population activities in all regions. It is estimated that developing countries spent \$23.1 billion for population activities in 2006. The largest amount was mobilized in Asia (\$16.9 billion), followed by sub-Saharan Africa (\$2.6 billion), Latin America and the Caribbean (\$1.8 billion), Eastern and Southern Europe (\$1 billion) and Western Asia and North Africa (\$856 million).

21. Domestic expenditures are estimated to have increased further to \$24.8 billion in 2007 and they are projected to increase again to \$26.8 billion in 2008. Increases are expected in every region. Asia is expected to continue to mobilize the largest amount of financial resources in both 2007 and 2008. Sub-Saharan Africa is expected to mobilize the second largest amount of funds, followed by Latin America and the Caribbean, Eastern and Southern Europe, and Western Asia and North Africa.

22. Just under 30 per cent of all domestic expenditures for population are spent on STDs/HIV/AIDS. This percentage varies considerably by region. It is estimated that sub-Saharan Africa spent about 88 per cent of its funds on AIDS. Figures for Asia are low because data on out-of-pocket spending are not complete.

Table 2
Projection of global domestic expenditures for population activities, 2006-2008

(Thousands of United States dollars)

Year/region	Source of funds			Total	Percentage spent on STDs/HIV/AIDS
	Government	Non-governmental organizations	Consumers ^a		
2006					
Africa (sub-Saharan)	1 188 508	115 117	1 297 456	2 601 081	88
Asia and the Pacific	4 799 275	132 134	11 921 399	16 852 808	12
Latin America and the Caribbean	1 061 885	139 752	571 558	1 773 195	79
Western Asia and North Africa	494 177	42 937	318 744	855 858	20
Eastern and Southern Europe	652 613	12 207	336 096	1 000 916	77
Total	8 196 458	442 147	14 445 252	23 083 857	29
2007					
Africa (sub-Saharan)	1 191 798	115 622	1 300 936	2 608 356	88
Asia and the Pacific	5 264 815	127 324	13 077 801	18 469 940	11
Latin America and the Caribbean	1 077 341	141 599	583 195	1 802 135	78
Western Asia and North Africa	520 144	46 799	335 493	902 436	20
Eastern and Southern Europe	660 399	13 034	340 106	1 013 539	76
Total	8 714 498	444 378	15 637 530	24 796 406	27

Year/region	Source of funds				Percentage spent on STDs/HIV/AIDS
	Government	Non-governmental organizations	Consumers ^a	Total	
2008					
Africa (sub-Saharan)	1 199 589	122 666	1 308 907	2 631 162	88
Asia and the Pacific	5 809 868	137 081	14 431 712	20 378 661	10
Latin America and the Caribbean	1 088 973	143 468	591 962	1 824 404	78
Western Asia and North Africa	539 968	48 847	348 279	937 093	20
Eastern and Southern Europe	675 047	14 145	347 649	1 036 841	76
Total	9 313 445	466 207	17 028 509	26 808 161	25

Source: Marieke van der Pers and Erik Beekink, "Projections of funds for population and AIDS activities, 2006-2008", The Hague, 2007. See also Hendrik P. van Dalen and Daniel Reijer, "Projections of funds for population and AIDS activities, 2005-2007", The Hague, 2006; Hendrik P. van Dalen and Mieke Reuser, "Projections of funds for population and AIDS activities, 2004-2006", The Hague, 2005; and Hendrik P. van Dalen and Mieke Reuser, "Assessing size and structure of worldwide funds for population and AIDS activities", The Hague, 2004.

^a Covering only out-of-pocket expenditures and based on the average amount per region as measured by WHO (2004) for health-care spending in general. For each region, the ratio of private out-of-pocket to per capita Government expenditures was used to derive consumer expenditures in the case of population activities.

C. Components of domestic funding for population activities

23. Governments play a major role in financing population programmes. They are considered to be responsible for most domestic expenditures for population activities. However, since the level of Government funding usually depends on the level of national income, Governments in least developed countries are least likely to be able to afford large outlays for population activities. Poor countries faced with many competing development priorities cannot afford to make the necessary investments in population. As a result, population issues are often excluded from social and health sector programmes because there is not enough funding to go around, or because of the emergence of new priorities without safeguards in place to ensure sustainability and expansion of existing programmes. National non-governmental organizations also contribute to the funding pool for population, but the majority of them are highly dependent on international resources. Their main role lies in advocacy work and in reaching people at the grass-roots level.

24. National Governments and non-governmental organizations are not the only sources of domestic expenditures for population activities. Consumer spending as measured by out-of-pocket expenditures represents the largest part of resources spent on population activities. Private consumer expenditures account for a large percentage of total funding for health care. Although exact amounts of worldwide health-care spending for population activities are not known, it stands to reason that a significant proportion of expenditures for family planning, reproductive health and STDs/HIV/AIDS services are borne by consumers. The few available sources of information on private spending reveal great variations between regions and countries and, in some cases, changes over time in the share of private spending within countries themselves. In estimating consumer spending, the Resource Flows Project used out-of-pocket health expenditures of households from the national health account figures as collected by WHO. The out-of-pocket health expenditures

were assumed to be completely in line with out-of-pocket expenditures for population goods and services.

25. Funding behaviour is often hard to predict. Figures for 2007 and 2008 are dependent on whether Governments follow the expected patterns of spending given past reported expenditures and levels of national income and whether they live up to their commitments. Unforeseen factors such as natural disasters, conflict and political unrest can have a significant impact on domestic spending for population. However, such events can also serve to increase international assistance.

26. Although the global figure for domestic resource flows is a rough estimate, it is the most plausible estimate, given the fact that data are often incomplete and not entirely comparable. The information is useful in that it provides some idea of the progress made by developing countries, as a group, in achieving the financial resource targets of the Programme of Action of the Conference. While the global total shows real commitment on the part of developing countries, it conceals the great variation that exists among countries in their ability to mobilize resources for population activities. Most domestic resource flows originate in a few large countries. Many countries, especially those in sub-Saharan Africa and the least developed countries, are not able to generate sufficient resources to finance their own population programmes and rely heavily on donor assistance.

IV. Resources for other population-related activities

27. A significant amount of resource flows goes to other population-related activities that address the broader population and development objectives of the Programme of Action of the Conference but that have not been costed and are not part of the agreed target of \$18.5 billion for 2005. Among the population-related activities that countries have supported include: poverty alleviation, primary health-care delivery systems, child health and survival, emergency obstetrical care, basic education, empowerment of women, rural development and income generation.

28. Both donor and developing countries provide a significant amount of funds for population-related activities that address these broader population and development objectives. Since they are not part of the costed population package, funding for such activities is not included in the calculations of international population assistance and domestic resources for population. If the amount of resources spent on these activities were added to expenditures for the costed population package, the overall level of support to the Programme of Action would be considerably higher.

V. Major challenges in implementing the financial targets of the Conference

29. *Resource mobilization continues to be dependent on a few key players.* Population 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 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.

30. *Consumer spending exceeds Government and non-governmental organization expenditures for population.* Although not easy to track, the role played by consumers in mobilizing resources is much larger than usually assumed. In many cases, consumer spending exceeds Government and non-governmental organization expenditures for population. Although variations exist between regions and 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 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.

31. *AIDS-related activities are receiving the largest share of population funding.* The shift towards funding for STDs/HIV/AIDS at the expense of other population activities continues. The Conference targets for 2005 called for 8 per cent of total population assistance for STDs/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. Actual spending in 2005 included 72 per cent for STDs/HIV/AIDS activities, 7 per cent for family planning services, 17 per cent for basic reproductive health services and 4 per cent for basic research, data and population and development policy analysis. The increased funding for AIDS-related activities, which is expected to continue, is for prevention activities as well as treatment and care, especially substantial amounts of funding for antiretroviral 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 antiretroviral 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 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 the ability of countries to address the unmet need for such services and could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality.

32. *Escalating current needs and costs as compared with original Conference estimates.* The financial targets of the Conference were fixed more than 10 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. The HIV/AIDS crisis is far worse than anticipated, and infant, child and maternal mortality remain unacceptably high in many parts of the world. In addition, since that time, health-care costs have increased substantially. Furthermore, the value of the dollar in 2006 was far lower than it was in 1993. As a result, the Conference targets are not sufficient to meet current developing-country needs in the area of family planning, reproductive health, STDs/HIV/AIDS and basic research, data and population and development policy analysis.

VI. Conclusion

A. Progress in resource mobilization

33. Provisional figures show that both donors and developing countries have surpassed the 2005 goal of \$18.5 billion. In 2006, donors contributed \$8.1 billion and developing countries spent \$23.1 billion for population activities. This trend is expected to continue. However, the resources mobilized do not adequately address the current needs, which have escalated considerably since Cairo and which now include treatment for HIV/AIDS. Indeed, for many less developed countries that cannot generate sufficient resources, the lack of adequate funding remains the chief constraint on the full implementation of the Programme of Action of the Conference and on attaining the goals of the Conference agenda.

34. The recent increase in the flow of financial resources for assisting in the implementation of the Programme of Action has been primarily a result of the increase in funding for HIV/AIDS activities, including both prevention and treatment. But even these increases do not meet current HIV/AIDS needs, which are much higher than anticipated when the targets were set. Funding for family planning, which has been steadily decreasing, is below the suggested target of \$11.5 billion in 2005 and is also not meeting current needs in this area.

35. The real concern is that the target amount will not be sufficient to address the current global needs in all four Conference areas. This is true even in the area of HIV/AIDS, where most of the increase in funding has occurred and where, according to the most recent UNAIDS estimates, \$18 billion was needed in 2007 for a comprehensive package, including prevention, treatment and care, support for orphans and vulnerable children, programme costs and human resource costs.⁶ If not reversed, the trend towards less funding for family planning could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality.

B. Key areas requiring further attention

36. Continued resource mobilization advocacy efforts on the part of both donors and developing countries are essential to fully implement the Conference agenda. Implementing the Conference Programme of Action, especially the reproductive health goal, is essential for meeting the Millennium Development Goals directly related to health and social and economic outcomes, especially those in the areas of children, mothers, HIV/AIDS, gender and poverty.

37. To accelerate the implementation of the Conference agenda and to achieve the Millennium Development Goals, the international community should continue:

(a) To ensure that population and reproductive health are seen as an integral part of the achievement of the Millennium Development Goals and that

⁶ See UNAIDS, *2006 Report on the global AIDS epidemic: Executive summary*.

they figure prominently in national development programmes and poverty reduction strategies;

(b) To mobilize sufficient resources to fully implement the Conference Programme of Action and ensure that family planning and reproductive health issues receive the attention they deserve at a time when the increased focus is on combating HIV/AIDS;

(c) To establish an effective partnership of donor and recipient countries based on mutual trust, accountability and donor coordination in support of country goals;

(d) To increase attention to cost-effectiveness and programme efficiency so that resources reach all segments of the population, especially those that are most in need;

(e) To enhance the role of the private sector in the mobilization of resources for population and development, in monitoring population expenditures and ensuring that financial targets and equity objectives are met.

38. A more efficient and timely monitoring system to report financial flows for population activities is essential. Currently, both donors and developing countries lag behind in reporting expenditures in this area. The most common constraints encountered include respondent fatigue, lack of human and financial resources and difficulty in disaggregating the population component in integrated social and health projects and sector-wide approaches and in disaggregating the four categories of the costed population package. Different recording practices and decentralized accounting systems also present significant challenges.

39. It is essential that all Governments, of both donor and developing countries, recommit themselves to implementing the objectives of the Conference and mobilizing the resources required to meet these objectives given current needs. The challenge before the international community is to continue to mobilize the resources required to implement the Conference 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 Conference costed population package: family planning services, reproductive health services, STDs/HIV/AIDS activities and basic research, data and population and development policy analysis. Without a firm commitment to population, reproductive health and gender issues, it is unlikely that the goals and targets of the Conference and the Millennium Summit will be met.