

Critical review of the Global Financing Facility in two front-runner countries: Kenya & Tanzania

Presentation for the Ministry of Foreign Affairs
5 July 2018

## **Background**

#### Wemos

An independent civil society organization that aims to improve health worldwide

#### Methodology of assessment on GFF

- In-depth interviews with national CSOs, international NGOs, professional associations, bilateral donors, and the World Bank in Kenya and Tanzania (May/ June 2018)
- Desk review of investment cases, program appraisal documents and NGO reports



## **Global Financing Facility (GFF)**

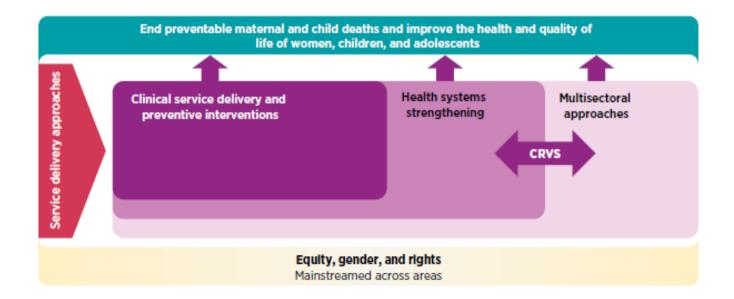
Brief overview



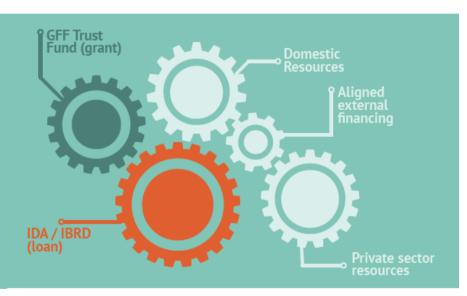
## **Global Financing Facility**

#### **Purpose**

- Innovative funding model for EWEC
- Close global funding gap in RMNCAH-N (annual \$ 33.3 billion)



## How the GFF works (1/4)



#### **GFF Trust Fund**

- LMIC eligible for financing from GFF-TF (63 countries)
- Condition: IDA-eligible
- between \$ 10 60 million for 3-4 years
- Trust Fund capital: \$ 800 million
- Replenishment aim \$2 billion

#### **IDA** Loan

 GFF-TF grants only allocated if countries spend IDA resources on RMNCAH

Source: Mama Ye! Evidence for action

Ratio Grant to Loan: 1:4

## How the GFF works (2/4)

#### **Domestic resources**

- Applying country must show willingness to increase domestic resources for RMNCAH
  e.g. development of health financing strategy
- IDA loan = domestic resource contribution:
   GFF Business Plan: "......increasing IDA/IBRD allocations for RMNCAH represents an important step forward greater domestic financing for RMNCAH."

#### Aligned external financing

Contribution of other development partners to Country Investment Case

#### Leveraging of private sector capital

PPPs, private service provision and insurances

## How the GFF works (3/4)

#### Investment case

- Nationwide, evidence-based, prioritised plan for RMNCAH-N (3-5 years)
- Developed by Country Platform

#### Program Appraisal Document (PAD)

- World Bank develops a PAD for IDA & GFF-TF
- Results-based Financing of high impact interventions

## How the GFF works (4/4)

#### **Investors Group**

 government, ministries (including sub-national government structures), CSOs, private sector, technical agencies providing TA, multilateral & bilateral agencies, foundations



SEVENTH INVESTORS GROUP MEETING

INVESTORS GROUP MEETING REPORT

#### **Country Platforms**

- Country-led and-managed multi-stakeholder platform to coordinate:
  - Development of Investment Case and Health Financing Strategy
  - Resource mobilisation for IC
  - Technical assistance
  - Monitoring and Evaluation

## **GFF** in Kenya

Key findings



## Kenya: Investment case & Project Appraisal Document

1M

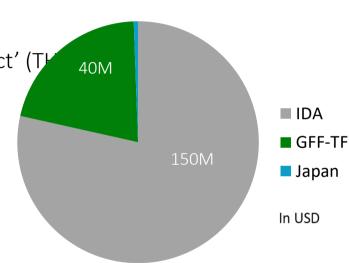
#### Program Appraisal Document

'Transforming health systems for universal care project' (TPUHC)

- June 2016 June 2021
- Total project cost: \$191 million

#### Investment Case

- National RMNCAH Investment Framework
- Counties Annual Health Work Plans = County ICs
- Counties must ≥20% of total budget to health
- GFF initially for RMNCAH-N needs in 20 high burden counties, now all 47 counties



## **Setup of GFF in Kenya**

#### **Financing Model**

- Counties receive GFF funds in "Special Purpose Accounts" (established for the GFF)
- GFF funds are 'non-conditional'
- Disbursement is based on performance indicators
- Health Financing Strategy still under development

#### **Technical Assistance**

- Additional World Bank Executed RMNCAH Multi-Donor Trust Fund (USAID, DANIDA, DFID)
  - Hands on operational support

## **Coordination and engagement in Kenya**

#### Country platform

- New Inter-Agency Coordination Committee (ICC) for RMNCAH-N
- GFF progress standard agenda item

#### **CSO** representation

- Initially GFF handpicked US NGO as representative
- Criticism resulted in development of Minimum Standards for CSO Engagement
- Official CSO focal point: HENNET (Health NGO Network)
- MoH values CSOs but there is very limited engagement with MoF

## **Kenya: Progress**

#### Disbursements

- Late disbursement to county level
- Low absorption capacity at county level
- All counties received seed funding from GFF-TF (Dec 2017)

#### **Monitoring**

- 2nd Scorecard to monitor GFF progress under development
- CSO engagement at national level, but not at county level

## **GFF** in Tanzania

Key findings



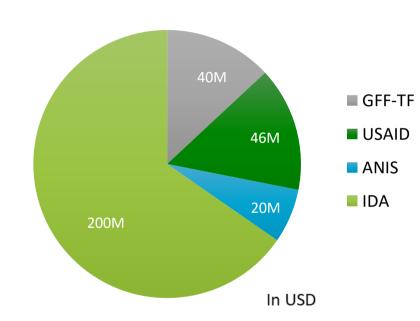
#### **Tanzania: Investment case & PAD**

#### **Program Appraisal Document**

- 'Strengthening Primary Health Care for Results Program' (PHC4R)
- May 2015 June 2021
- The PAD preceded the Investment Case

#### Investment case: ONE PLAN II (2016-2020)

 The pre-existing National Road Map Strategic Plan to Improve Reproductive, Maternal, Newborn, Child and Adolescent Health in Tanzania (2016-2020)



## **Setup of GFF in Tanzania**

#### Financing model

- GFF funds are disbursed at different levels (nation, regional, district, facility)
  - Most is for service delivery sent directly to facility-based accounts
- Disbursement is based on performance indicators
- GFF is not earmarked in the budget as separate budget line
- Draft Health Financing Strategy under review

#### Roll out

GFF implemented in 9 regions (will be rolled out to the other 14 regions)



## Coordination and CSO engagement in Tanzania

#### Country platform

- Existing MNCH Technical Working Group (TWG)
- TWGs (total of 11) fall under the SWAP Technical Committee

#### **CSO** representation

- Official CSO focal point: Health Promotion Tanzania
- CSOs represented at TWGs at MoH but limited direct interaction
- Initial engagement on GFF process slow
- Several national CSOs monitor separate components of RMNCAH-N
- CSO engagement at national level, but not at district level

## **Tanzania: Progress**

#### Disbursements

Only 32% disbursed of PHC4R in 3rd year of implementation (mainly from IDA)

#### Preliminary results from World Bank Mid Term Review

- Limited knowledge at facilities of Result Based Financing
- Payment is often disbursed very late
- Data for calculating the disbursements is unstable

**Financing model** 

MoH engagement

**CSO** engagement

processes

Transparency

**Barriers to success** 

**National decision-making** 

**PAD** 

## mnorican Vanua Tanzania

place

Companson Kenya – Tanzama	
	KENYA

New accounts created for GFF

Earmarked GFF funds

**Approachable** 

Proactive

No comprehensive RMNCAH plan in

**TANZANIA** 

Based on pre-existing national plans

Uses existing financial structure

GFF Funds not earmarked

Fragmented & unavailable

Passive and reactive

WB and MoF (financial) WB and MoH (technical)

Lack of willingness to share information

HRH crisis

## **Key findings**

GFF in two front-runner countries: Kenya & Tanzania





## **Key findings (1/5)**

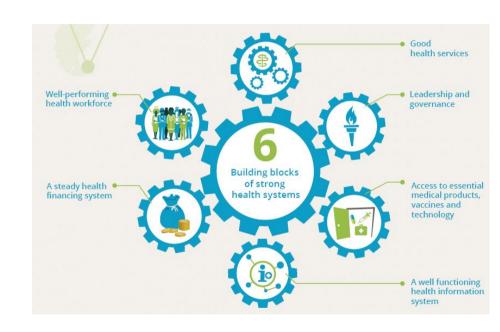
#### CSO Engagement needs work

- CSOs that pro-actively demand engagement & accountability are more successful (see Kenya case)
- More funding and technical assistance needed for CSOs to engage, especially at local level
  - GFF small grants mechanism is good start but needs more funding
- GFF is 'learning by doing' and needs critical watchdogs to steer GFF reforms

## **Key findings (2/5)**

#### GFF not fully aligned with Health Systems

- IDA/ grants are issued before plans and structures are ready, e.g.
  - Health financing strategy
  - Country accountability structures
  - Financial risk mitigating measures
- Parallel financial system created (Kenya)
- HRH crisis insufficiently addressed!
  - GFF cannot be used for salaries



Make health systems strengthening the foundation of RMNCAH-N, not an add-on

## **Key findings (3/5)**

#### Continuum of Care (CoC) approach is lagging behind

- Insufficient coordination on RMNCAH-N components
- GFF not linked enough to broader UHC movement particularly on the discussion on equity and leaving no one behind
- Indicator selection for RBF is biased



Source: Mama Ye! Evidence for action

## **Key findings (4/5)**

#### Insufficient attention to risks of GFF financial model

- Recipient governments use loan to increase domestic resources from RMNCAH-N
- Broader development partner group do not sufficiently address issue of impact of loan on fiscal space
- 'Economic literacy' of CSOs to be able to engage with MoF is poor

In the **short term**, IDA loan increases fiscal space for health but:

- Can take away incentives to increase domestic resources from other sources
- could lead to reallocation domestic health funds to other sectors

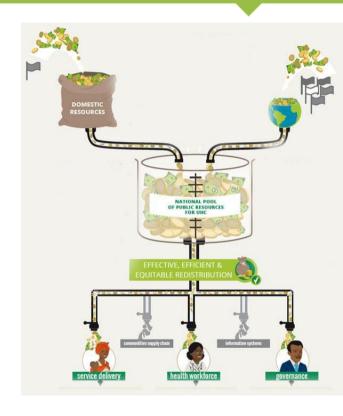
In the long run it decreases fiscal space because of debt servicing

Critically address short and long term risks of loan on fiscal space

## **Key findings (5/5)**

### There is limited coordination between other bi-& multilateral donors

- Lessons of GAVI & GFATM not applied
- Limited information sharing outside immediate
   GFF network
- <u>Ideally</u>, health financing from all sources (including GFF) should be pooled and pushed through government systems



# Concluding remarks: "The GFF is a big animal that needs to be tamed"

#### Gap between GFF design and implementation

- Objectives and principles of GFF are sound
- Implementation is rushed, without enough consideration for risks and lessons-learned

#### Future funding for the Continuum of Care

- Increased funding (domestic and external) for a true CoC approach is crucial, but must:
  - Be more driven by relevant recipient government ministries, beyond MoF
  - Be embedded in strong government policy and structures
  - Have active involvement of development partners/investors in necessary GFF reforms
  - Foster true CSO engagement in technical and financial discussions