Report of the PMNCH Task Team on RMNCH Financing

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Task Team Chairs
Background

- SEEK Development report on “Options to Strengthen the Global RMNCH Financing Architecture“, discussed by PMNCH Board in Oct 2011

- Board set up Task Team to provide guidance on:
  - Position that PMNCH should adopt on options presented
  - Advancing recommended options for RMNCH financing
  - Next steps

- Task Team consulted widely on financing options, mapped stakeholder preferences, explored role of PMNCH

- Interfaced with partners working on the Family Planning summit
RMNCH Financing Options as laid out in the SEEK Development Report

**OPTION 1**
- Strengthened coordination and accountability of multiple funding channels

**OPTION 2**
- Rapid scale-up initiative
  - (A) Integrated strategies in selected countries
  - (B) Selected interventions in highest burden countries

**OPTION 3**
- Dedicated global funding channel
  - (A) RMNH funding channel
  - (B) Global Fund for the Health MDGs

**LEVEL OF CHANGE IN AID ARCHITECTURE**
- LOW
- HIGH

**CONSOLIDATION OF FINANCING**
- LOW
- HIGH
Task Team consultations with stakeholders

- Broad endorsement of the report
- Window of opportunity is now
- Majority supports targeted catalytic financing initiative (Option 2), with incentives for increased alignment, accountability, targeting (Option 1)
  - Include financing for scale up of service delivery/HSS, commodities and TA
  - Keep it focused: selected high impact services/ interventions and associated HSS; highest burden LICs
  - No separate new fund; use/expand existing arrangements (UNFPA; H4+; World Bank; RHSC)
- Link to ongoing efforts: FP initiative, Commission on Lifesaving Commodities
- PMNCH role: broker consensus on organizational/institutional options; assist in identifying priority countries; support countries in accessing funding
Objectives and focus of RMNCH financing initiative

Accelerate progress on Global Strategy goals by:

1. Providing a **transparent mechanism** for channeling resources to co-finance key gaps relating to RMNCH within national health plans in priority low-income countries.

2. Creating **incentives** for country level stakeholders to rapidly develop costed, robust scale up plans (if not already in existence).

3. Facilitating **alignment of domestic and bilateral donor resources** for RMNCH through a requirement for co-financing.

4. **Raising and effectively channeling additional resources**, by providing funding mechanism for donors with limited country presence.
Guiding principles

- **Simplicity**: Keep design simple in order to enable prompt start up and rapid disbursement
- **Complementarity**: Build on, not substitute for, other mechanisms
- **Leverage**: Use pooled funding to mobilize and better align domestic and bilateral donor funding at the country level
- **Country leadership**: Adhere to Global Strategy focus on country-driven program design and implementation, aligned with national plans
- **Mutual accountability**: Drive transparency and answerability relating to resources and results
- **Strategic focus**: Scale up highest impact services/intervention packages and related strengthening of health systems in high burden countries
- **Time-bound nature**: Limit to five years initially; continuation based on assessment of effectiveness, functionality of hosting and continued need
Key design elements

- **Scope**
  - Strategically focused subset of intervention packages known to be high impact and low coverage (e.g. family planning, newborn care; skilled birth attendance)
  - Service delivery/demand creation and associated HSS; commodities; technical assistance

- **Focus countries**
  - Initially around 20 countries based on level of burden, income, coverage with services prioritized by the initiative
  - Maximum funding envelope per country

- **Funding request**
  - Country submits scale up plan and funding request consistent with national strategy/RMNCH plan; funded TA to prepare requests
  - Plan needs to be technically sound, operationally feasible and demonstrate: partner participation; non-state actor involvement; commitment to co-finance

- **Approval**
  - Approval given based on technical endorsement and fiduciary assessment
  - Proposal and approval process as dialogue between country and facility

- **Financing and Oversight**
  - Disbursements follow demonstrated progress achieved
  - Periodic financial and programmatic results verification
  - Consistency of approach with recommendations of CoIA
Institutional arrangements

- **Managed** by small number of additional staff within existing institution(s)

- **Oversight/steering committee** with degree of independence from governance body of host institution
  - Strategic direction and performance standards
  - Financial and programmatic oversight
  - Final grants approval
  - Resource allocation/ mobilization

- Three institutional options appear feasible in principle:
  - World Bank-hosted financing facility
  - UNFPA-hosted facility
  - PMNCH-hosted, with trust fund administered by another entity
Feedback received to date

▪ Donors:
  - Some support, others concerned
  - Need assurance that financing facility is narrowly focused in scope (# of countries; priority intervention areas) as in Option 2
  - Suggested closer mapping of existing mechanisms that could be leveraged
  - Explore linkages/synergies with on-going initiatives (commission on commodities, family planning, etc.)

▪ Partner countries: Acknowledgement/appreciation that report reflects concerns countries had expressed; interested in discussing options and going forward

▪ Informal feedback from NGOs, health care professionals, academic and research institutions: Generally positive, some concerns/suggestions

Opportunity to share further feedback and guidance during Board discussion
Recommendations for Board consideration

- **Endorse need for more, targeted and easily accessible financing** (for commodities, service delivery/demand creation, related HSS, and technical support) to help highest-burden LICs address gaps in coverage gaps for high-impact interventions (consistent with their national plans)

- **Acknowledge coordination of existing funding efforts and mechanisms as important but insufficient** to achieve rate of scale-up aspired to in Global Strategy

- **Express support for establishing an RMNCH financing facility within an existing organization** drawing on a dedicated donor funding pool to (co-) finance scale up of high impact RMNCH intervention packages and related HSS in subset of high priority countries;

- **Consider FP as specific window** within the proposed RMNCH financing facility

- **Endorse principles and basic design elements** suggested by the TT

- **Mandate the EC (or small group charged by EC), to explore interest/feasibility of hosting and rapid start-up among institutional options** identified for hosting an RMNCH financing facility. In doing so, ask the EC to **collaborate with ongoing donor initiatives (e.g. around FP) compatible with TT financing recommendations.**

- **Request endorsement of hosting options no later than July 2012.**