

Public aid for development and health cooperation

Eduardo Missoni

Bocconi University, Italy

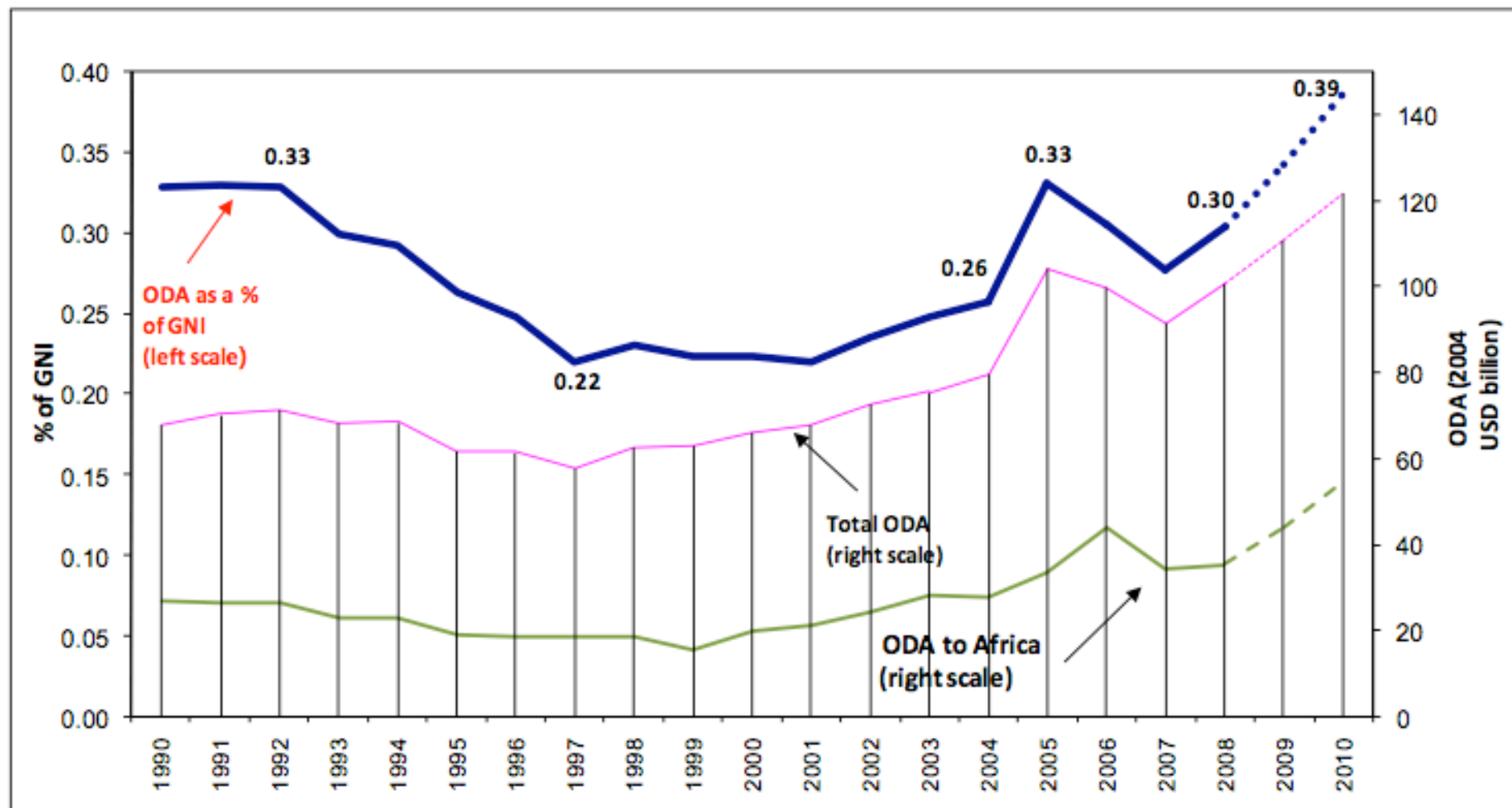
Italian Global Health Watch

ODA - Definition

- Official development assistance is defined as those flows to DCs and to multilateral development institutions which are:
 - provided by official agencies, including state and local governments, or by their executive agencies; and
 - each transaction of which:
 - is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
 - is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).

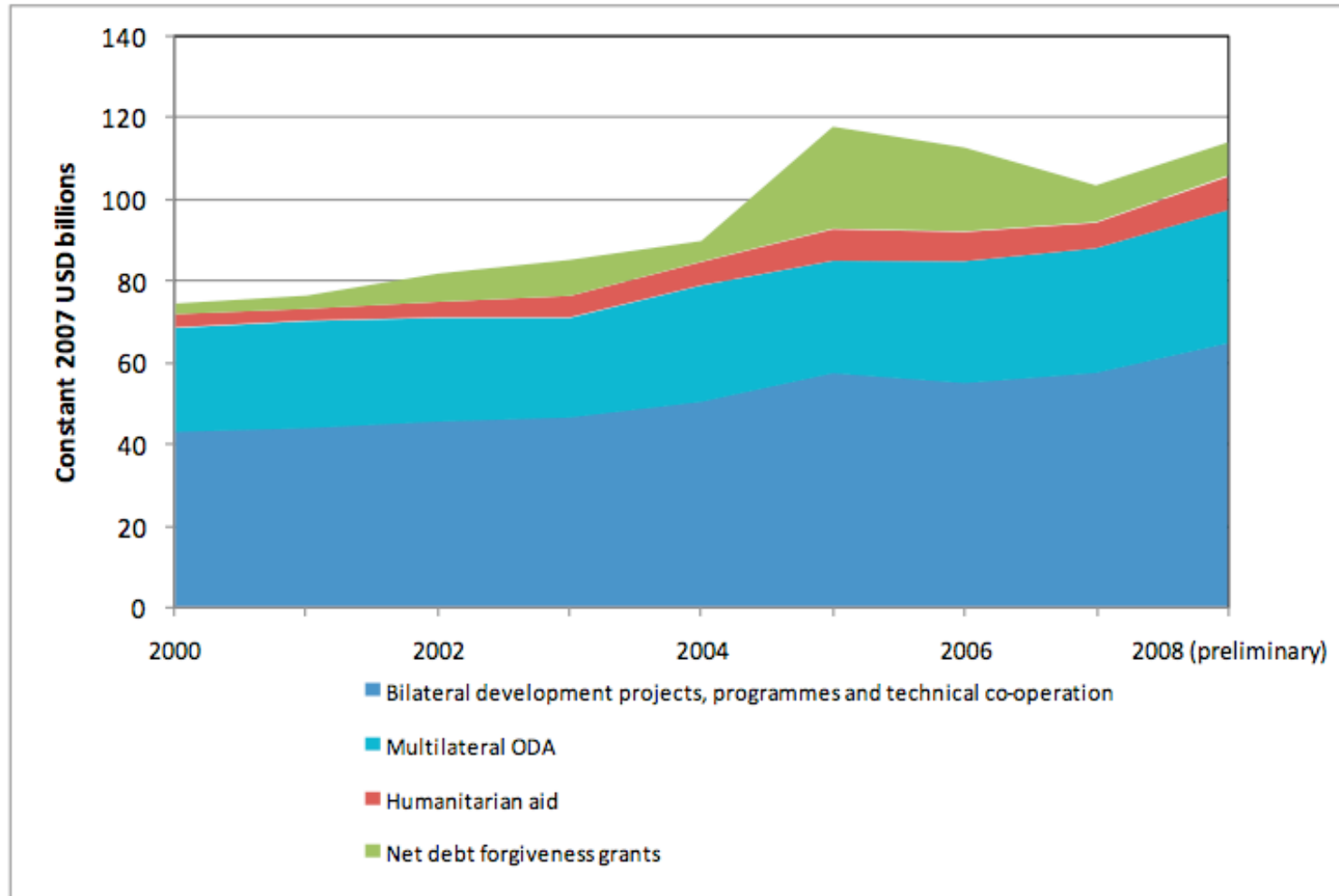
ODA from DAC countries to DCs and IO

(US\$ billion, net disbursements, 1990-2008)



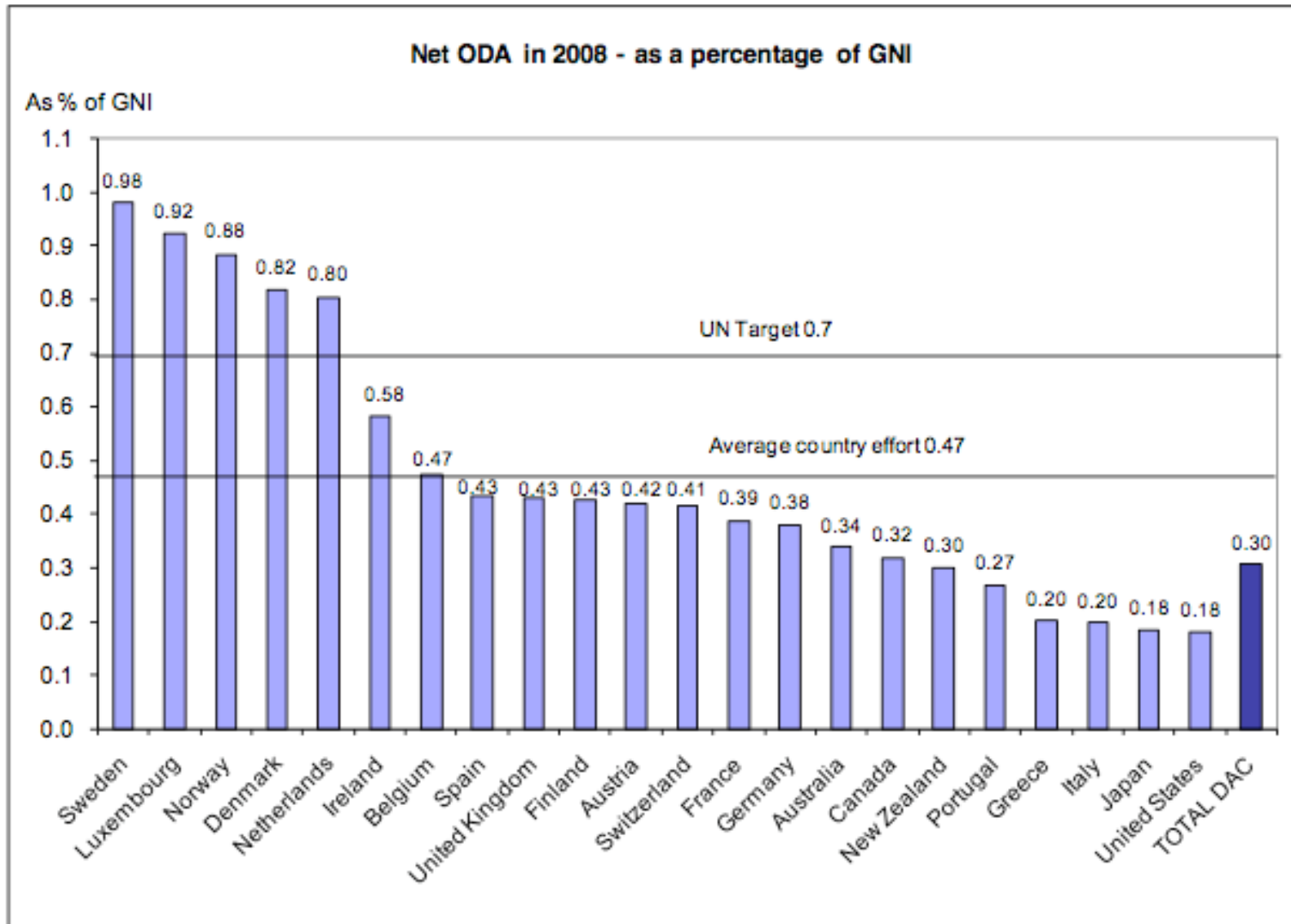
Source: OECD, 30 March 2009.

ODA from DAC donors to DC and Multilaterals

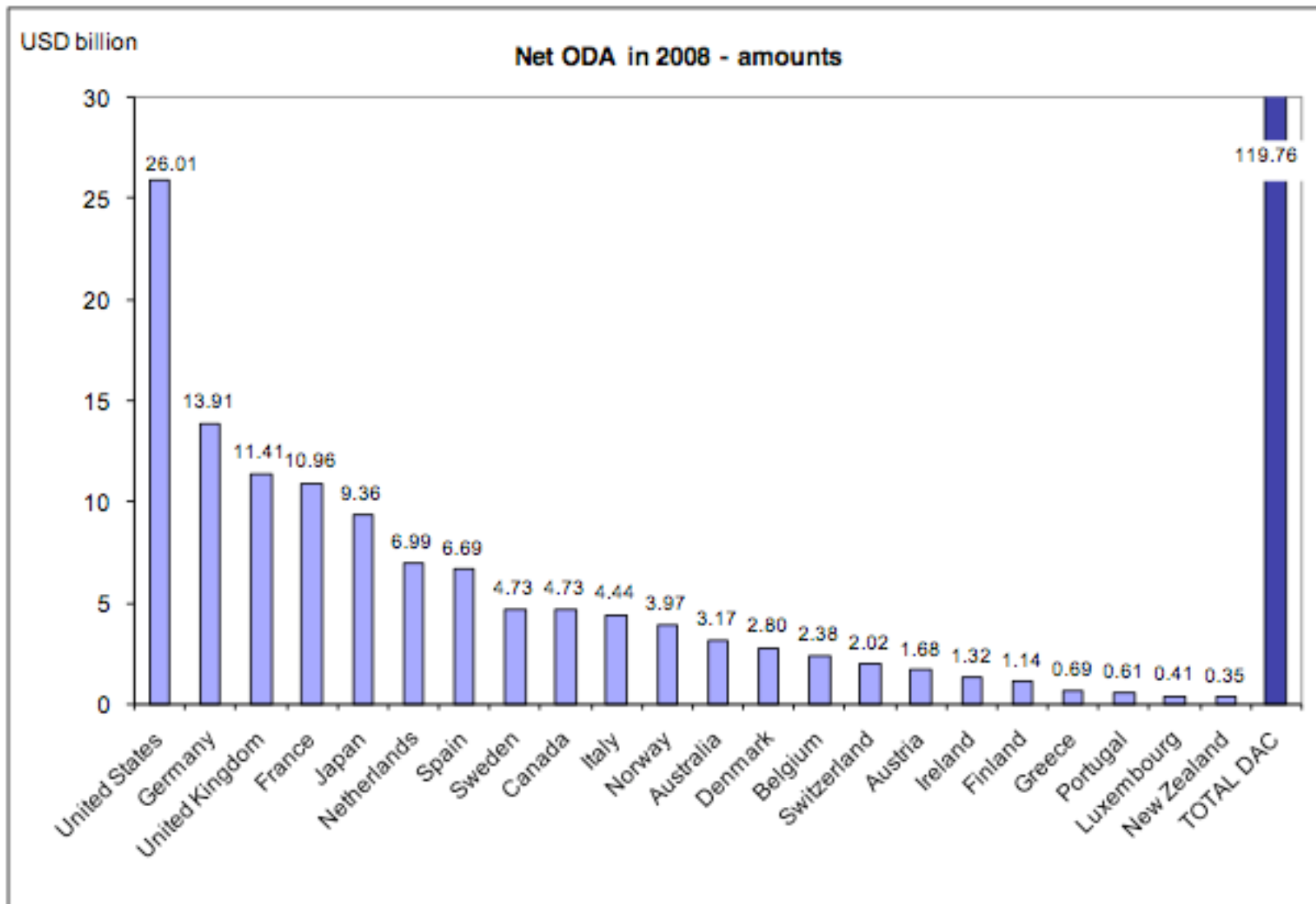


Source: OECD, 30 March 2009.

ODA from DAC donors to DC and Multilaterals



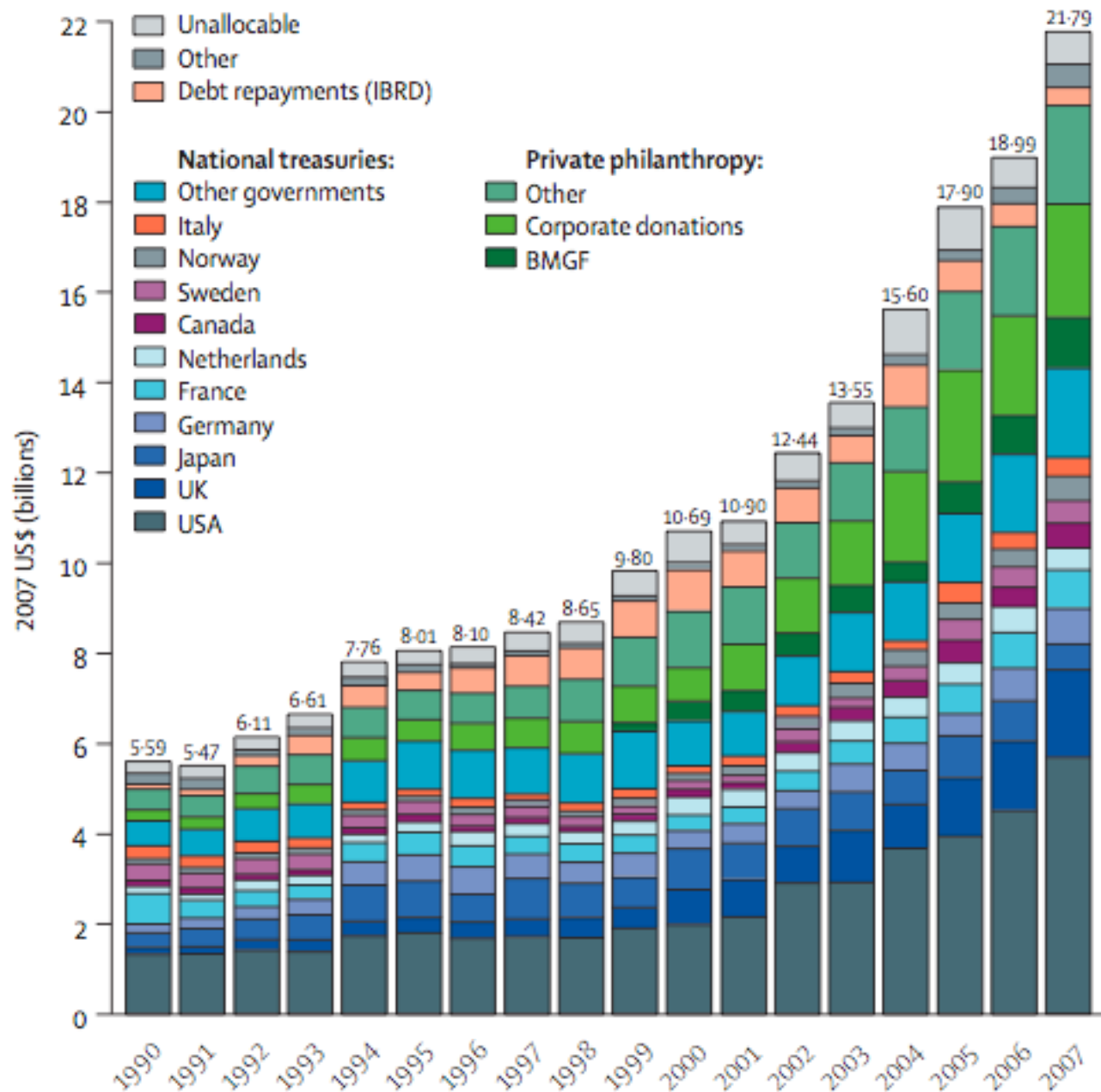
ODA from DAC donors to DC and Multilaterals



Development assistance for Health

1990-2007

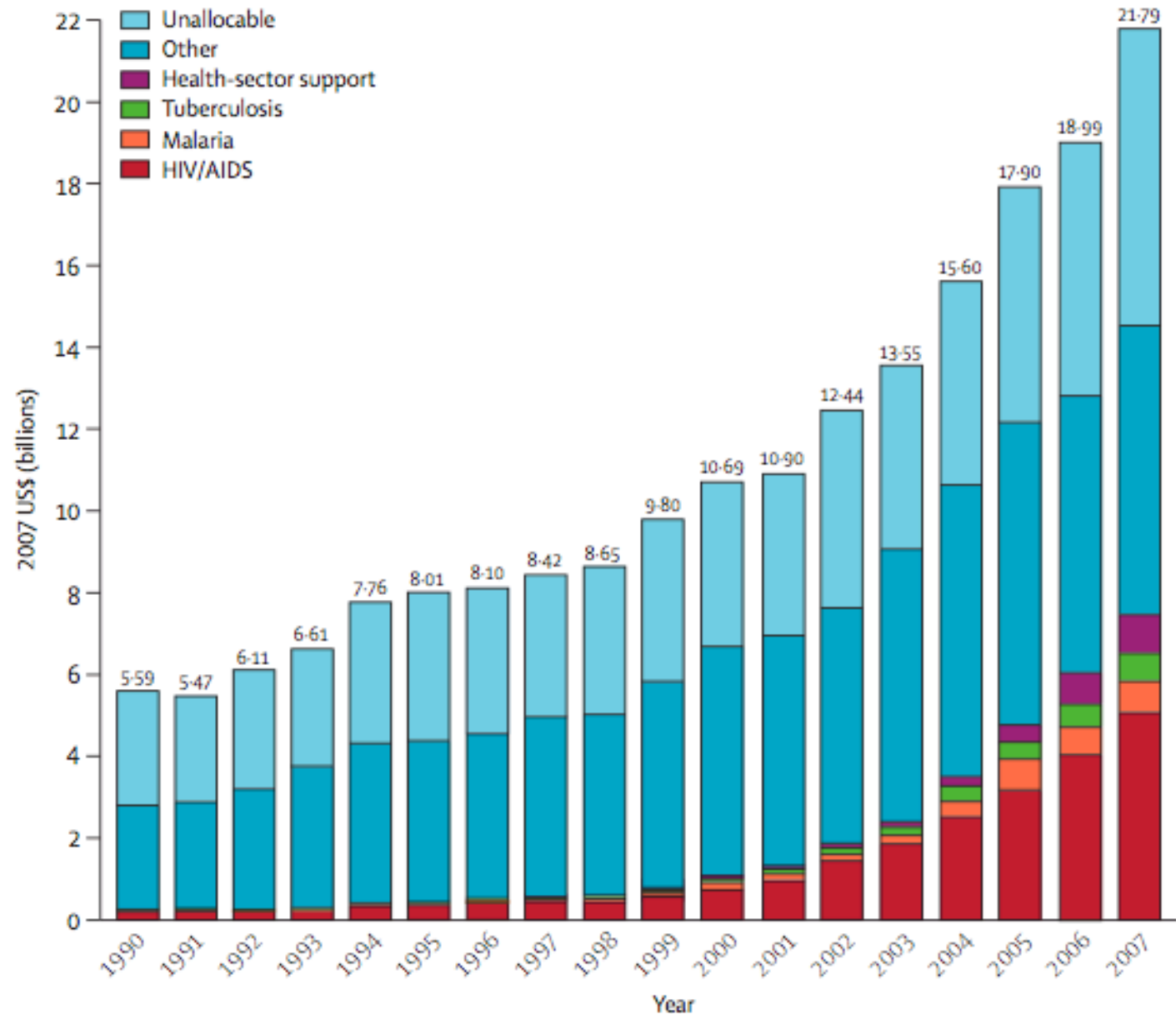
(by funding source)



(Source: Ravishankar et al., 2009)

Development assistance for Health

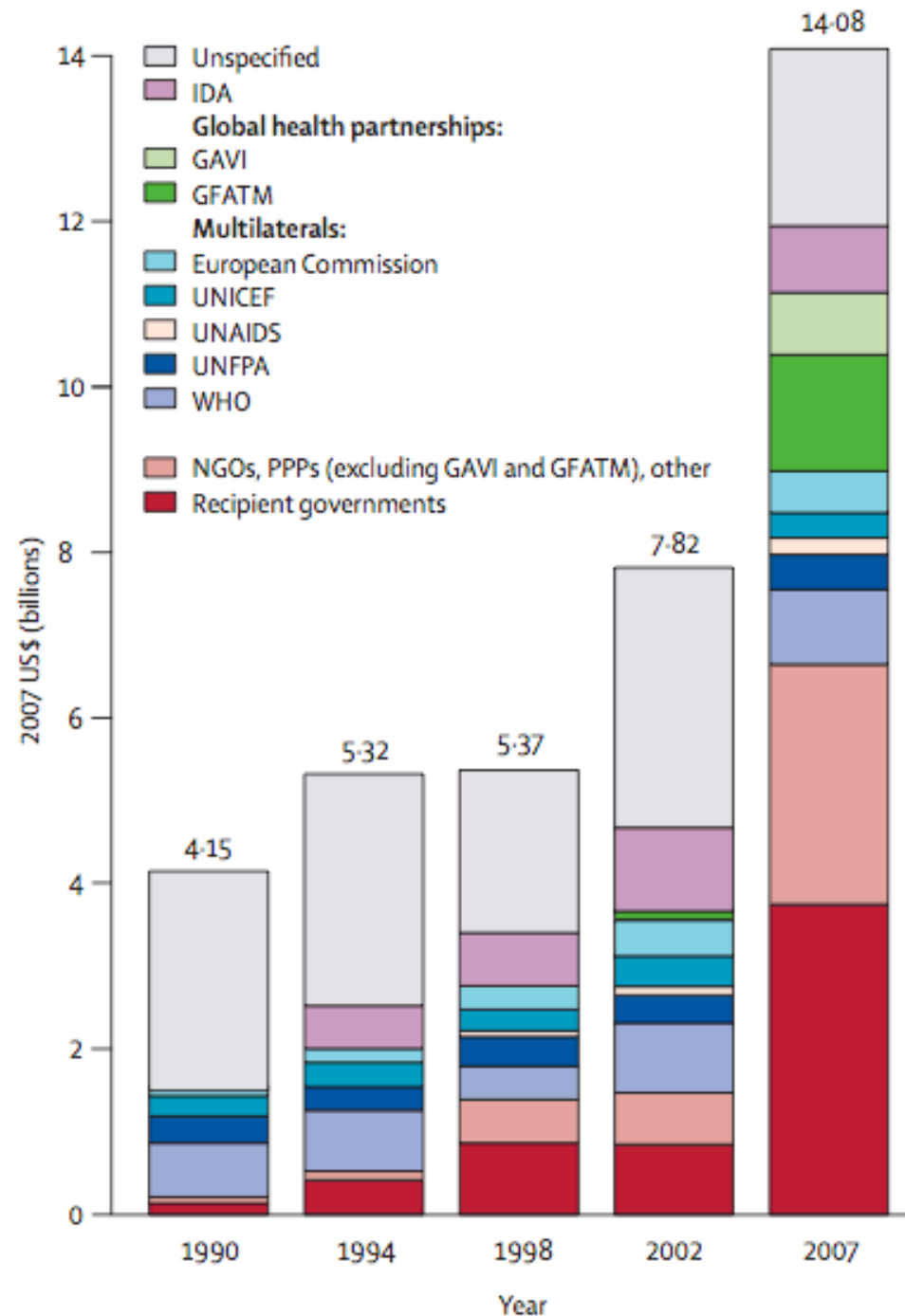
1990-2007
(by disease)



(Source: Ravishankar et al., 2009)

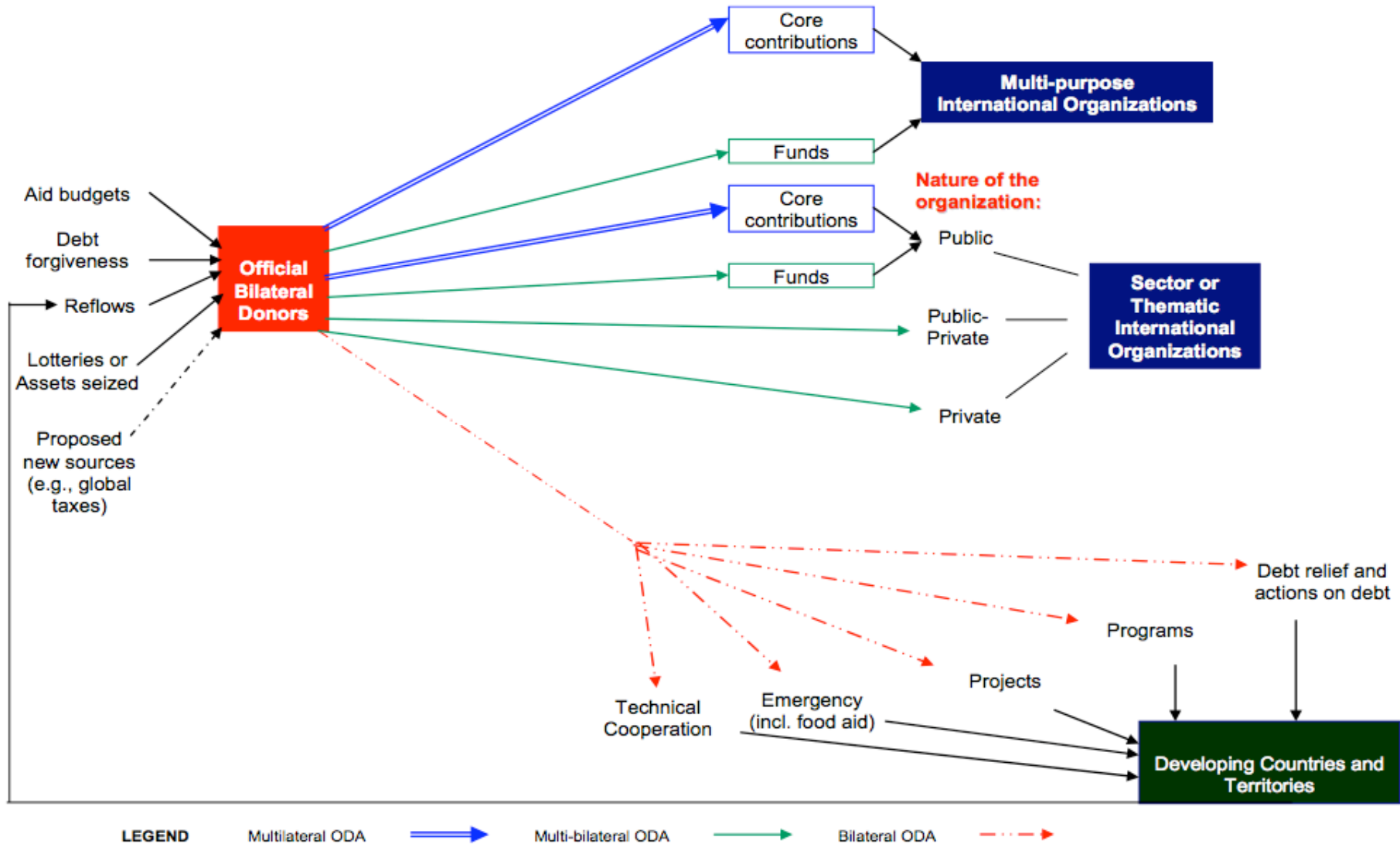
Publicly financed Assistance for Health

selected years
(by channel)

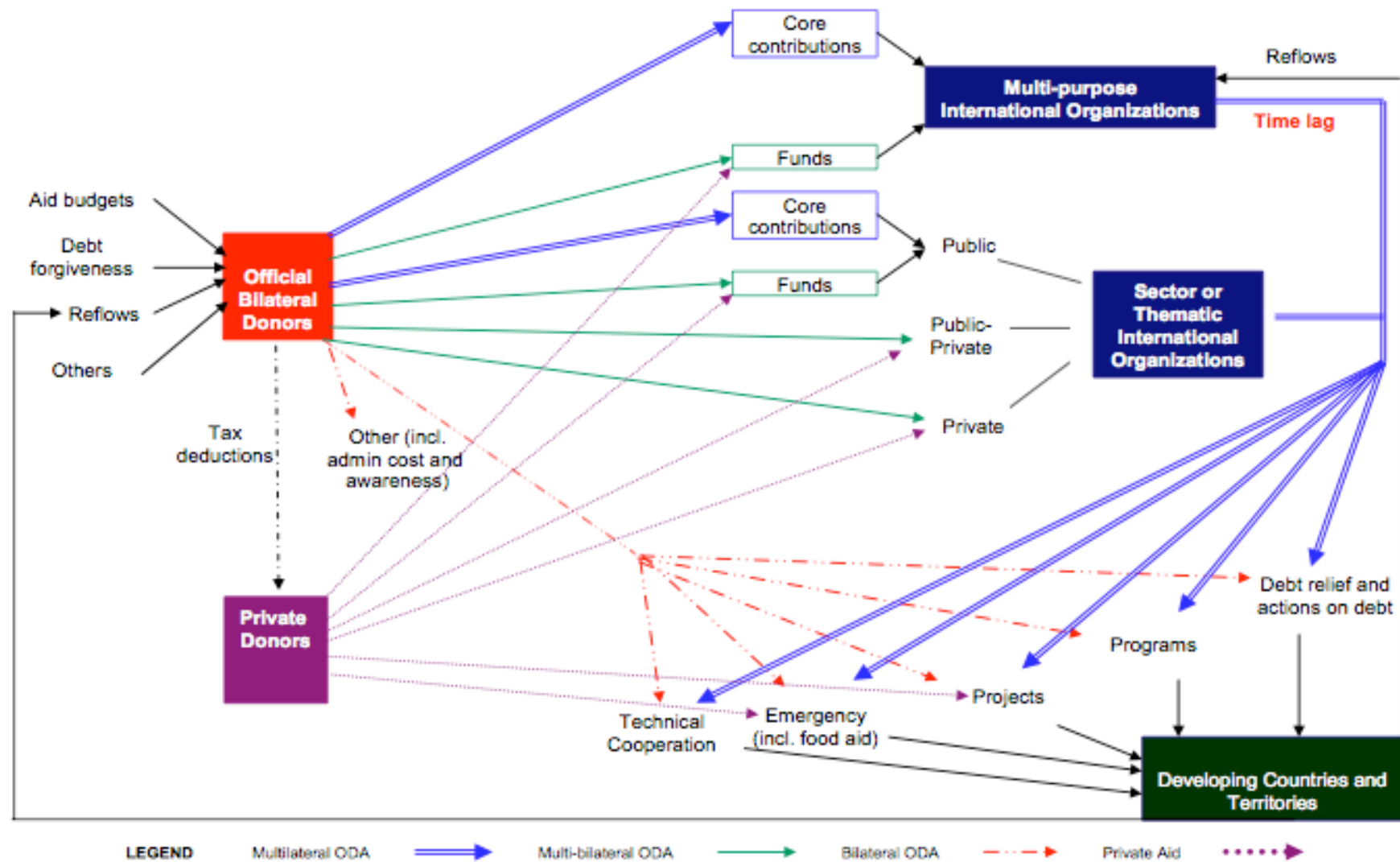


(Source: Ravishankar et al., 2009)

Donor view of ODA



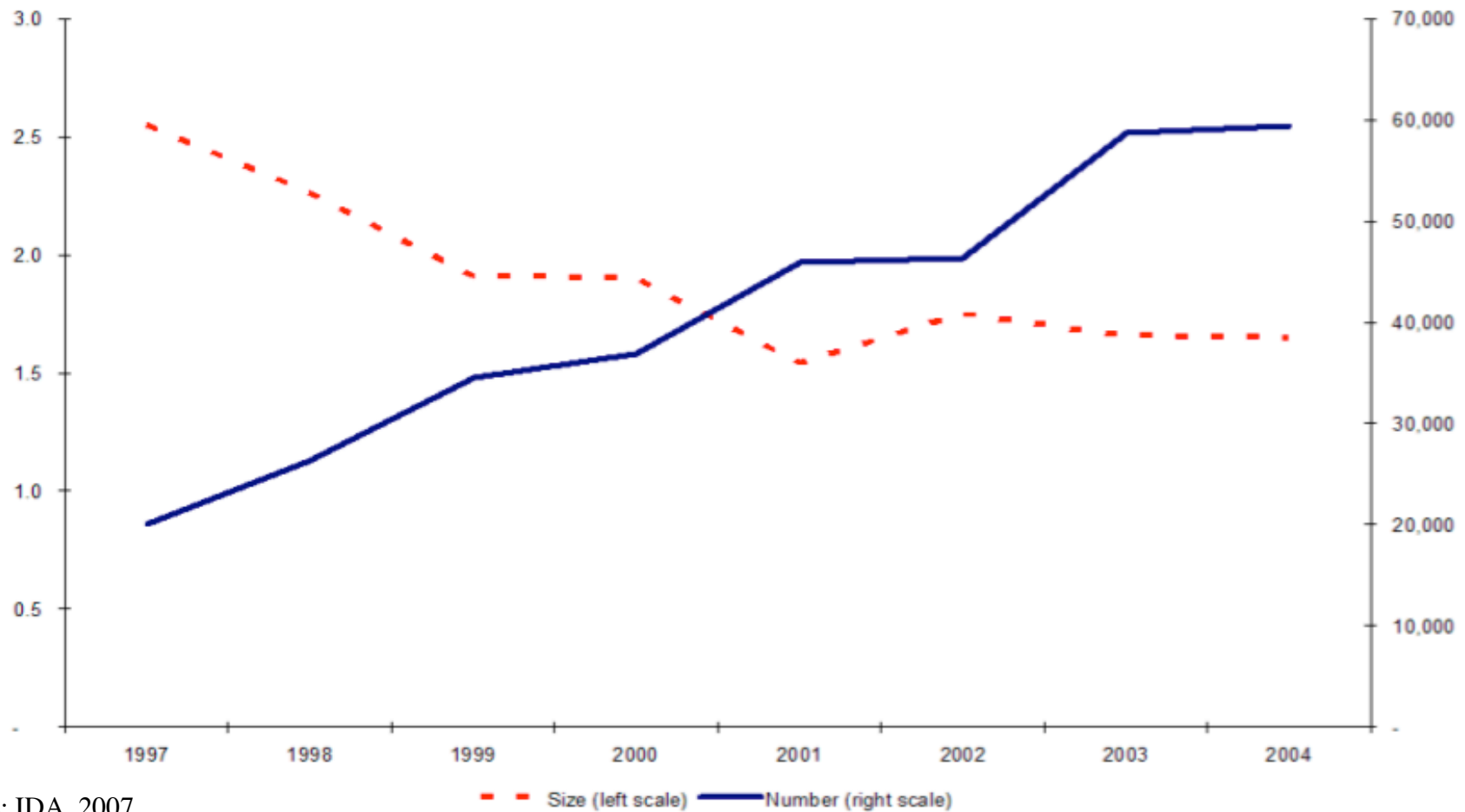
Recipient's view of ODA



Source: IDA, 2007

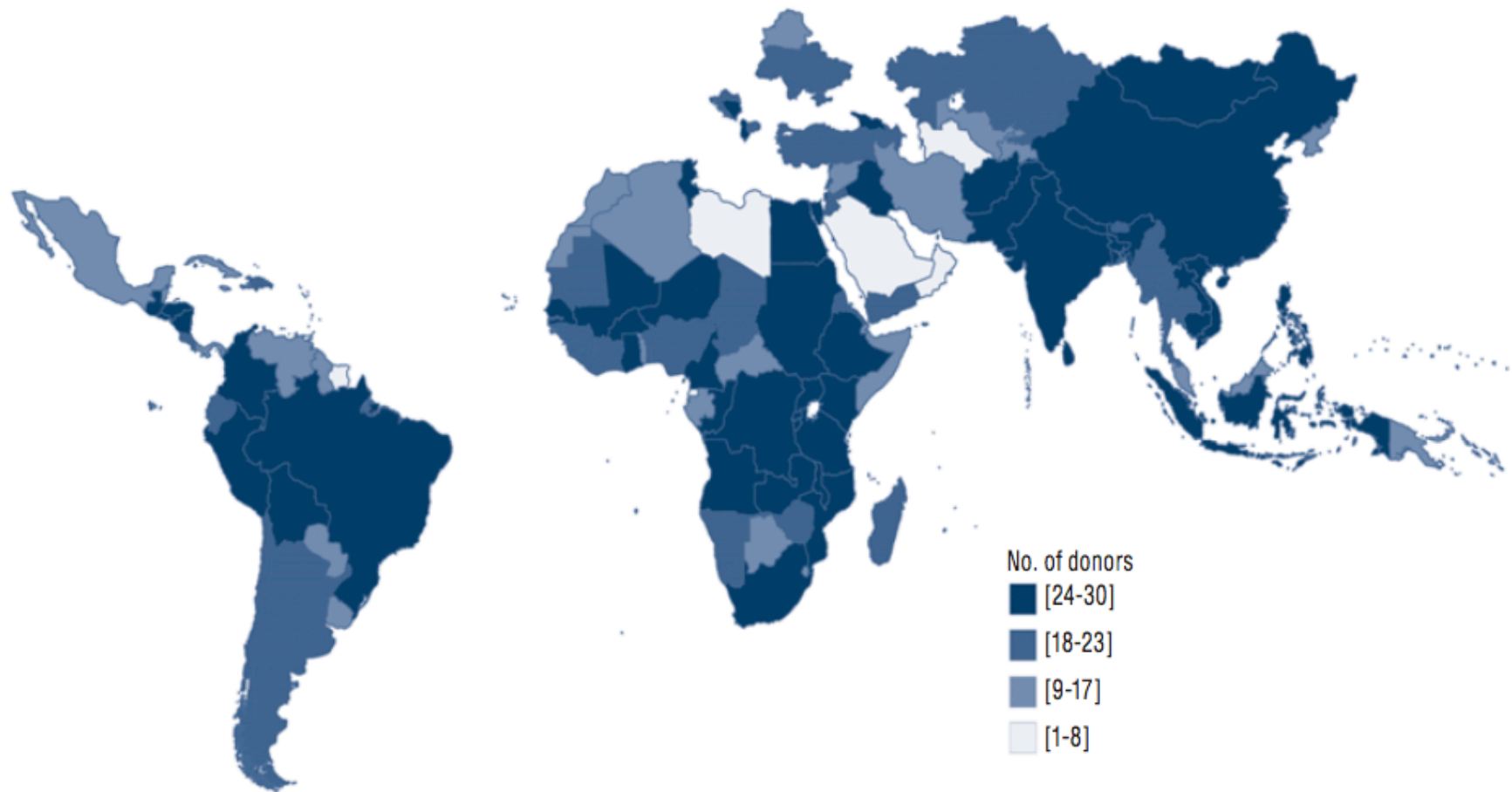
Number and Average Size of Donor Activities

(US\$ million, 2004 prices)



Source: IDA, 2007

Number of DAC Donors and major multilateral agencies per country



Source: OECD, Report of the 2008 Survey of Aid Allocation Policies and Indicative Forward Spending Plans, May 2008, www.oecd.org/dac/scalingup.

Limits of separate funding for priority programmes

(Projects, global initiatives)

- **Sectoral policies and budgets**
 - inconsistencies between national and external funding,
 - distortion of spending priorities, sustainability
- **Operating costs**
 - Budgetary imbalances
- **National capacity**
 - Needs to service multiple donor missions in design and appraisal
 - High variety of accounting and auditing requirements
 - Staff separate management units
 - Parallel systems
- **Ownership**
 - Donor driven and designed by external consultants, lack of government commitment

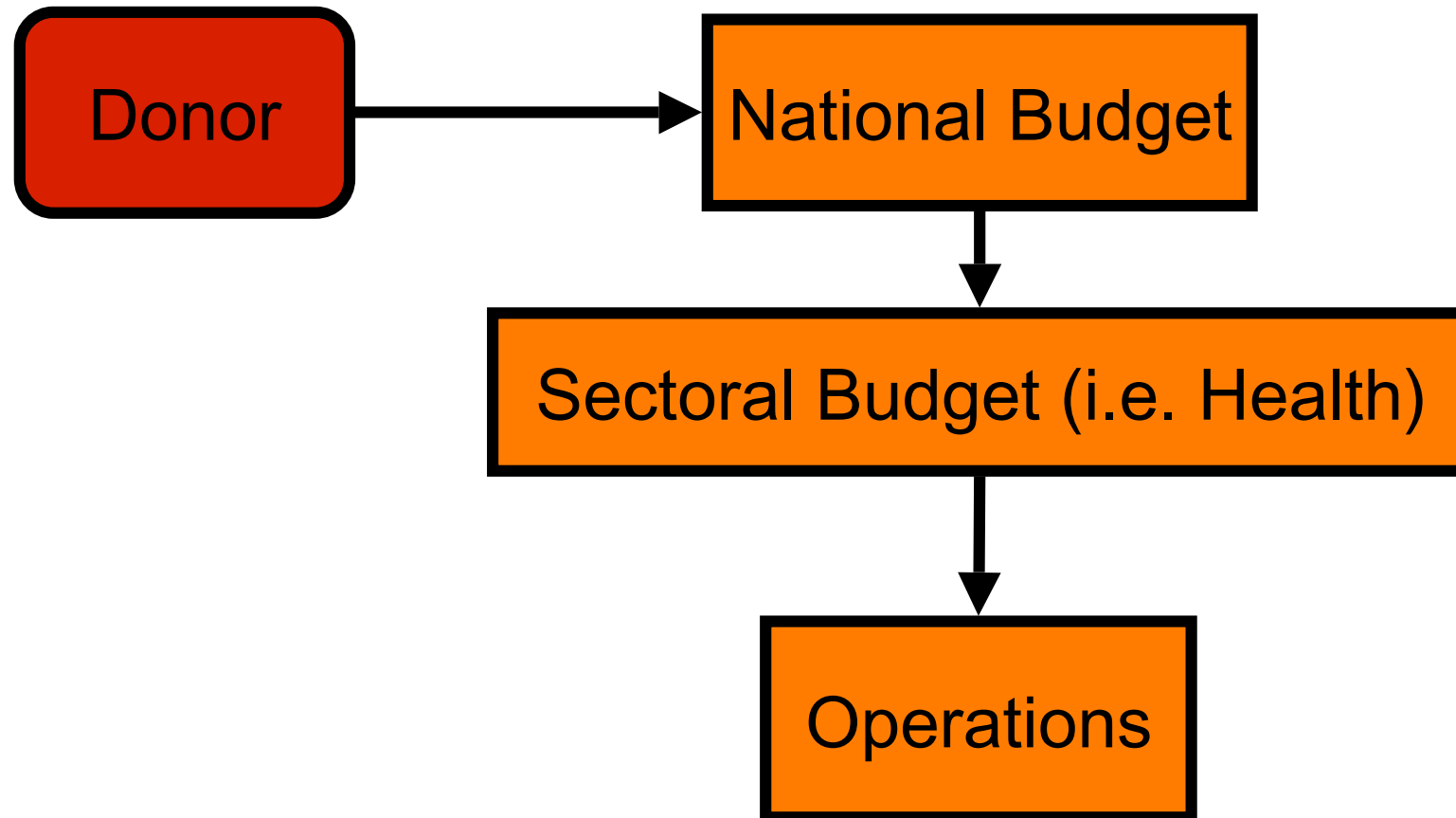
Answers to fragmentation: the Paris Declaration

- Ownership
- Alignment
- Harmonization.
- Managing for Results
- Mutual Accountability

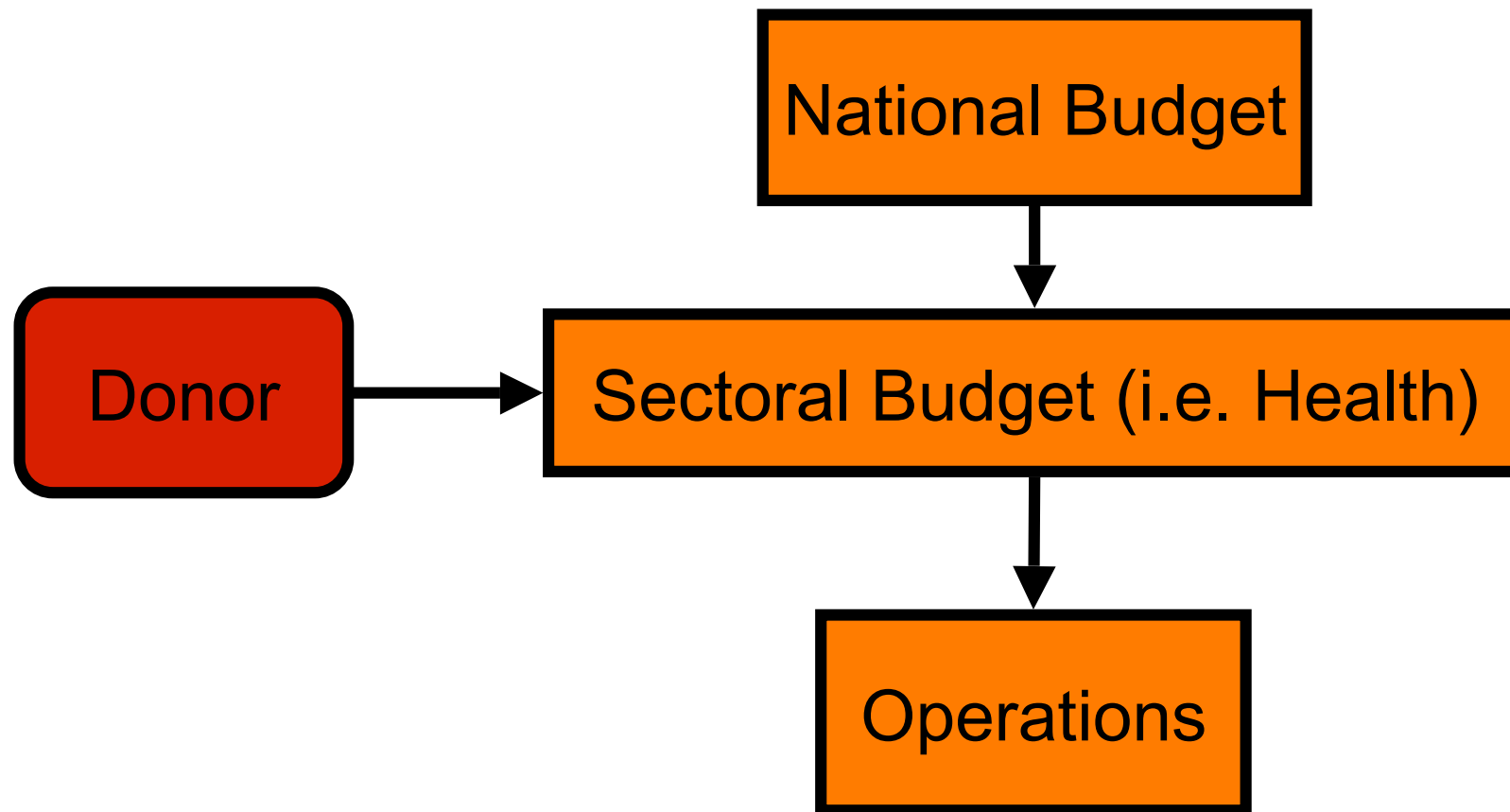
Answers to fragmentation

- General Budget Support (GBS)
- Sector Wide Approach (SWAp)
 - Partnership led by national authorities, with civil society, donor agencies...
 - Common goal (improvement in people's health)
 - In the context of a coherent sector (such as Health)
 - Collaborative programme of work including
 - Development of sectoral policies and strategies
 - Resource projections, sector financing and spending plans
 - Management system: common arrangements for disbursement and accounting of funds, procurement, M&E
 - Institutional reform and capacity building
 - Increase expenditure channelled through the government budget and decrease reliance on separate projects funded by agencies

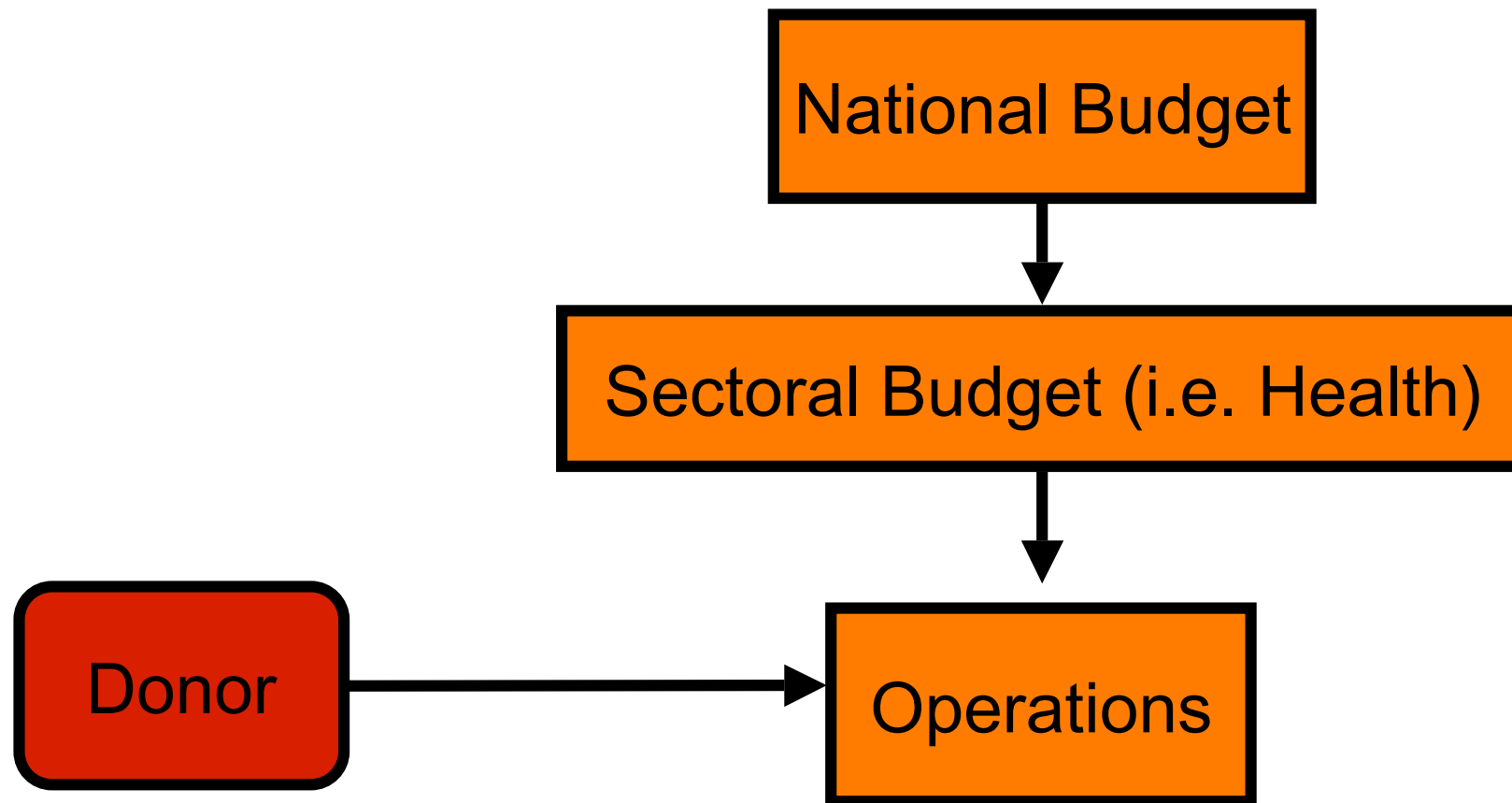
SWAp funding – Channel 1



SWAp funding – Channel 2



SWAp funding – Channel 3



Innovative International Financing

“More Money”

- Expand mandatory levy on airline-tickets and explore other
 - tobacco; currency transactions
- Expand IFFIm and other approaches AMC
- Catalytic funding for private giving
 - De-Tax;
 - voluntary solidarity contribution (air-tickets; m-phones; ..
- Results-based “buy-down” funding
 - Debt2health (debt swap through multilateral third party
 - Example: Indonesia, Pakistan, Germany and GFATM!
 - Results based credits and buy downs
- Secure better performance of non-state actors
 - capital/risk mitigation fund;
 - propositions for better investments;
 - new AMC and patent pooling

Innovative International Financing

“More health for the money”

- Health systems
 - public administration and accountability;
 - financing;
 - service delivery arrangements;
 - results-based financing
- Mobilizing non-state actors
- More efficient Technical Assistance
 - review focusing on strengthening institutional capacity;
- More efficient International support in countries (alignment)
- More efficient channeling of resources
 - Health Systems Platform: Global Fund; GAVI; World Bank
- Special consideration for fragile states
- Improving accountability

Conclusions

- Resources quadrupled (1990 and 2007)
 - 2002-2006 42% Technical Assistance!
- B&MGF striking scale-up
- Corporate in kind donations expanded
 - True value might be less than the value recorded on US tax returns
- GAVI & GFATM
- Reduced support to UN agencies, increasingly voluntary contributions; UN agencies to compete for funds with countries, NGOs, other organizations
- HIV/AIDS, tuberculosis and malaria

Conclusions

- Besides rhetoric, general health sector support remains very small
- China and non OECD high-income countries not in the picture
- New emphasis on Health Systems, Universal access, etc. (G8)...
- “More money for health, more health for the money”