

Contraceptive Security

Ready Lessons II

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Mobilizing Financial Resources



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Mobilizing and leveraging resources is essential to ensuring sustained financing for contraceptive security and family planning program implementation.

What Can a Contraceptive Security Champion Do?

- **Assess the current financing situation and conduct key stakeholder mapping.**
- **Advocate for and secure diverse, consistent sources of financing for family planning and reproductive health products, including contraceptives.**
- **Ensure the availability of data and information for making financial arguments about family planning and contraceptive security.**
- **Support and participate in stakeholder meetings to discuss contraceptive security (CS) and prepare a CS strategic plan with a financing component. In particular, attain early and continuous involvement of financial decision makers in discussions and in the preparation of the strategic plan.**

Key Concept — Identify Opportunities to Secure Funding for Contraceptive Security

Resource mobilization for family planning programs and commodities requires constant attention from contraceptive security champions. The need for countries to mobilize sufficient resources for contraceptives and other components of FP programs (e.g., equipment, communications, research, training, supervision, service delivery, adequate staff) is made even more urgent by the increasing number of women of reproductive age coupled with the growing demand for family planning. If resources from donors and

governments do not keep pace with demand, the burden for financing contraceptives will fall on clients and the use of modern methods could decrease, especially among those who cannot afford to pay. Donor resources specifically earmarked for family planning and contraceptives are declining and government resources are under pressure from competing health priorities. The changing funding environment (donor phaseout, shifts from direct provision of commodities to pooled funding and direct budget support, decentralization, and competing health priorities, such as HIV) creates both challenges and opportunities for obtaining FP financing (see *Ready Lesson II Overview: Contraceptive Security in a Changing Global Health Environment*). It is therefore important that countries take action to mobilize and leverage additional resources, explore new funding mechanisms, and maximize use of existing resources to ensure access to contraceptives for all. Many countries – Bangladesh, Egypt, Madagascar, Malawi, Paraguay, and Tanzania, to name a few – have recently had important successes ensuring increased government and out-of-pocket resources for contraceptive purchases.

Examine the Current Financing Situation for Family Planning

A first step in mobilizing and leveraging resources is to examine the short- and long-run financing needs for family planning and, specifically, contraceptives.

- Examine financing trends for contraceptives, family planning programs, and/or other health areas.
- Determine current sources of funding for contraceptives and family planning programs (e.g., donors, government, NGOs, households) and their respective contributions to the overall level of funding.
- Identify key financial decision makers, and map the financing decision making process and flow of resources.
- Highlight financing issues and identify resource gaps, particularly the funding necessary to cover current and future FP needs.

Having current data and information available and being able to interpret them are important in persuading decision makers to increase current levels of FP and reproductive health (RH) funding, including for contraceptives and FP supplies, or to integrate FP components into broader health and development initiatives. The following tools and analyses will provide data needed for formulating persuasive arguments to invest in family planning programs and commodities, and will provide guidance on financial resource allocation and use decisions.

- *FP/RH sub-accounts analysis*: Applies the National Health Accounts tool — which describes and analyzes the financing of national health systems — to family planning programs to help policy makers plan

future FP/RH funding. An FP/RH sub-account analysis reviews sources of FP/RH funds and how those resources are managed, organized, allocated, and used. FP/RH sub-accounts should include specific analysis of funding for FP/RH commodities.

- *Software and other tools to model projected needs:* Such tools can help estimate the demand for FP services and supplies and the consequences of not addressing unmet need; this information can convince policy makers of the need to allocate resources to family planning. These tools also allow managers to identify the service capacity, commodities, equipment and supplies that will be required to meet goals, as well as the associated costs. Some available tools are listed at the end of this Ready Lesson.
- *Secondary analyses of Demographic and Health Surveys:* Demographic and Health Surveys provide a wealth of current and reliable national information which can be subsequently analyzed to reveal where improvements in the efficiency or equity of FP resource use might be made. Examples of useful secondary analyses include market segmentation analyses and unmet need analyses.
- *Benefit-cost analyses:* Cost and benefit information can be used to quantitatively evaluate alternative courses of action, which can be used to advocate for increased FP resources and influence resource planning and allocation. Reducing unmet need for family planning can help countries reach their Millennium Development Goal (MDG) targets with less cost and greater efficiency than independent interventions within each sector specified in the MDGs (see *Ready Lesson II Overview: Contraceptive Security in a Changing Global Health Environment*).

Identify Options Available and Implement Strategies to Secure FP Funding

There are four main opportunities for maximizing financial resources for family planning programs and for access to contraceptives: donor resources, government resources, alternative financing mechanisms (insurance, user fees), and more efficient use of existing resources. Once specific options within these areas are identified, developing a CS strategic plan — with clear implementation guidelines and key actors — can provide a framework and timeline for securing needed funding. Additionally, the proposed strategies should include detailed cost information to provide decision makers with a clear understanding of the required financial investment. Involving stakeholders in the preparation of the CS strategic plan, in particular, representatives from the Ministry of Finance and Ministry of Planning, or their equivalent,

lents, ensures buy-in at the highest levels and helps ensure support for the CS strategy. In Togo, the Ministry of Finance was involved in the development of a CS strategy and recognized the significance of the financial resource gap for contraceptive procurement. As a result, before the CS strategy was finalized, the Ministry of Finance declared its intention to create a line item for contraceptive purchases and, in the interim, allocated funds to the Ministry of Health for the purchase of contraceptives.

Provided below is a description of four opportunities for funding sources and points to consider in implementing strategies to secure funding.

A. Donor Resources

SWApS and PRSPs

Some donors are moving towards general or sector budget support, where governments receive donor funding and make funding decisions based on their priorities, in consultation with donors. Integrating family planning commodities into these approaches requires an ability to effectively communicate the broad-reaching benefits of family planning to other health areas and poverty reduction (see *Ready Lesson II Overview: Contraceptive Security in a Changing Global Health Environment*).

General budget support funding goes directly to the Ministry of Finance, while the Sector-Wide Approach (SWAp) allows internal and/or donor funding to be directed to a specific ministry for a single policy and expenditure program. When multiple donors provide funds to a specific sector, resources may be pooled into a “basket fund” where decisions are made collectively by the government and financial contributors. The development and design of a SWAp includes broad stakeholder participation and helps foster strong partnerships between donors and government. In Uganda, a combination of advocacy, donor pressure, and government initiative led the government to create a budget line item for contraceptives and consequently to allocate US\$650,000 annually from its SWAp funds for contraceptive procurement.

Poverty Reduction Strategy Papers (PRSPs) allow countries to develop an integrated strategy for poverty reduction and to receive financial support for the strategy’s implementation. PRSPs attract donor funds and require joint decision making between donors and governments on priority areas. With the inclusion of explicit statements of goals, programs, and associated budgets, the PRSPs are compelling policy makers to increasingly justify public sector programs based on how much they contribute to poverty alleviation. Given the links between poverty and health, PRSPs offer a new opportunity to address RH and FP in national development plans. However, poverty-reduction strategies often do not include FP/RH concerns among the devel-

opment priorities or fail to budget adequately for them. Successfully including family planning in PRSPs requires several steps:

- Convince the PRSP committee to include family planning as part of the strategy.
- Provide an explanation of how family planning can contribute to poverty reduction efficiently and in a cost-effective manner.
- Include an analysis of population and FP issues in the assessment of poverty in the country.
- Outline components of effective FP strategies and programs, including needed commodities, equipment, and supplies.
- Include costing plans that address FP services and commodities and a budget line item in the expenditure framework; and incorporate FP-related monitoring and evaluation indicators to track progress.

In Mali, the health NGO Groupe Pivot was instrumental in garnering support from the World Bank and relevant Ministries involved in the development of the PRSP. After numerous meetings where Groupe Pivot presented evidence-based advocacy on the benefits of family planning, the PRSP unit — which is led by the Ministry of Finance — included FP in the third draft of the PRSP, issued in October 2006. This draft includes information on FP and identifies couple-years protection (CYP) as an indicator for measuring progress in enhancing FP access.

Loans and HIV/AIDS funds

Certain development assistance mechanisms and funding streams, while not new, can be used to obtain funding for family planning — if in-country stakeholders effectively illustrate the importance of family planning to the goals of those programs. Contraceptives, including condoms, can be particularly attractive to these funding sources. Several countries have recently tapped into development loans for the purchase of condoms. For example, the government of Kenya is using \$10 million of its World Bank loan funds to procure condoms as part of its National Condom Policy and Strategy.

Additionally, HIV/AIDS funds, such as The President's Emergency Plan for AIDS Relief (PEPFAR) and the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) are donor funds that can potentially provide financial assistance when linked to integrated family planning and HIV/AIDS treatment and prevention initiatives. These links should be explicitly addressed within funding proposals. For example, countries can access resources through the Global Fund for family planning, but only if their proposals make a strong argument for its added value. FP stakeholders should

ensure they have representation on the Global Fund Country Coordinating Mechanisms (CCM) and should lobby the CCM and national Principal Recipient to include national condom needs for HIV/STI prevention as well as contraceptive needs for prevention of mother-to-child transmission in their proposals and procurement plans. To capitalize on the benefits of family planning to HIV programming, include HIV/AIDS stakeholders (e.g., PEPFAR and Global Fund recipients) in national CS committees or other discussions around family planning and contraceptive security.

B. Government Resources

Recognizing that donor funding can be unpredictable and, in the long term, unsustainable, some countries implement initiatives to strengthen public sector financing for family planning, such as budget line items for contraceptives or earmarked taxes for funding FP programs. For example, budget line items for contraceptive procurement have been established in Turkey, Romania, Madagascar, Nepal, Paraguay, Egypt, Jordan, and Uganda; earmarked taxes for use for FP/RH programs exist in Ecuador and Guatemala. Decentralization offers opportunities for local governments to contribute to FP/RH programs; however, decentralized governments may have limited autonomy with regard to resource allocation, little awareness of FP issues, and limited capacity to manage and use funds.

C. Alternative Financing Mechanisms

Alternative financing mechanisms, such as user fees and health insurance, can mobilize additional resources for meeting current and future commodity requirements. Stakeholders should assess the potential contributions of these mechanisms in their local context. Implementing user fees for family planning increases household funding and can generate some revenue at public health facilities, providing opportunities to cross-subsidize the services or products for those clients who cannot afford to pay. Levying fees at government facilities, however, can be controversial with the public, and the challenges of implementing an effective strategy that accurately exempts the poor from fees cannot be underestimated (see *Ready Lesson II #9: Reaching the Underserved*). Including family planning in the benefits package of private or community-based insurance schemes and social security can help to leverage existing funds and represent an opportunity to tap into household, government, and private funding. In Peru and Bolivia, government-financed social health insurance schemes aimed toward the poor recently integrated family planning into the benefits package, providing a clear and efficient way to target its FP resources (see *Ready Lesson II #9: Reaching the Underserved* and *Ready Lesson I #3: Taking a Whole Market Approach* for more on targeting resources toward the poor).

Madagascar: Strengthening commitment and combining donor and government funds to ensure FP financing

In Madagascar, awareness raising efforts conducted with key stakeholders resulted in the inclusion of family planning within a broader framework of overall health and development, increased donor coordination on behalf of the government, and increased government commitment to financing family planning. This paradigm shift led to a change in the ministry's name from the Ministry of Health to the Ministry of Health and Family Planning (MOH/FP) and the creation of a specific directorate for family planning in January 2004. The MOH/FP committed to the expansion of FP programs, including financing for contraceptives. Using data and information to project contraceptive needs, the government created a contraceptive procurement plan for 2005–2008, which the Minister of Health presented at a meeting held in October 2004 to confirm the commitment of donors and MOH decision makers to financing commodities. In 2006, the government created a line item for contraceptives in the national budget, to which it allocated US\$150,000, covering approximately 12 percent of the funding gap for contraceptives. In order to prevent funding gaps, the Government of Madagascar and the World Bank agreed to increase the specific envelope for FP in the loan for health (CRESAN Project). This resulted in an additional US\$3 million dedicated to FP from CRESAN, part of which was used to procure contraceptives. The MOH/FP is currently exploring the use of Heavily Indebted Poor Country funds to finance FP activities.

D. Maximizing Existing Resources

Given the scarcity of funds for family planning programs, available funds must be used to maximum effect by increasing the efficiency of procurement, service delivery, and resource allocation. Enhancing donor coordination can avoid duplication of effort and ensure that priority, cost-effective interventions are funded. More cost-effective procurements can be obtained through a variety of mechanisms, including high volume discounts (for ex-

ample, through joint purchases by public sector organizations), international competitive bidding, use of low-cost procurement agents (such as IPPF-ICON or UNFPA), and purchase of generic products.

Greater involvement of the private sector in financing and FP provision can increase the overall envelope of available resources (see *Ready Lesson II #7: Fostering Public-Private Collaboration for Improved Access*) and free up government resources — which can then be better targeted towards poor and underserved populations (see *Ready Lesson I #3: Taking a Whole Market Approach* and *Ready Lesson II #9: Reaching the Underserved*). It is also valuable for the public sector to solicit private sector involvement in FP provision, including NGO and commercial sectors. Contracting out FP provision to NGOs can promote access, extend FP coverage into remote areas, introduce alternative approaches to service delivery, and reduce the government's long-term recurrent costs. In addition, corporate social responsibility initiatives and private charitable giving to health facilities can provide additional resources for contraceptives. For example, an Indian chemicals company, Indo Gulf Group, established its own clinics and community-based distribution networks to provide FP/RH commodities.

Advocacy efforts, policy changes, and implementing an innovative alcohol tax ensure FP financing in Guatemala

Guatemala sustained advocacy efforts by stakeholders successfully resulted in a government commitment to allocate new resources to family planning and reproductive health. Civil society networks, INSTANCIA Salud/Mujeres and REMUPAZ, advocated to Congress for increased FP/RH funding by presenting their proposal, “Priority Interventions for Women’s and Children’s Integrated Health, including Reproductive Health: a Civil Society Proposal for Inclusion in the 2004–2007 National Health Plan.” The proposal included data and information on the poor reproductive health status of Guatemalan women; presented population-based projections on the impact of not investing in FP/RH interventions; highlighted political and programmatic issues and priorities surrounding FP/RH, such as the limited amount of public FP/RH financing in Guatemala; and drew upon international declarations and agreements that highlight the importance and impact of FP. The proposal outlined key interventions and included a budget for the National Reproductive Health Program.

As a result of these efforts, and in order to increase the amount of public FP/RH financing, in 2004 Congress approved a legislative decree creating a tax on alcoholic beverages, and mandated the allocation of 15 percent of the alcohol tax — approximately US\$3.5 million per year — to the Ministry of Health’s family planning, reproductive health, and alcoholism programs, with the aim of improving the well-being of families and combating alcoholism. In 2005, the Guatemalan Congress passed the Law on Universal and Equal Access to Family Planning and its integration into the National Sexual and Reproductive Health Program, which ensures that all people have access to FP services, information and methods, and also recognizes CS as an important national issue. The law includes a budgetary assignment for contraceptive purchases at the national level, in order to reduce Guatemala’s dependency on foreign donors, which is to be drawn from the 15 percent of alcohol tax revenues. Additionally, the law creates a National CS Commission, which includes representatives from several government ministries (i.e., Health, Finance, and Education), social security, NGOs, and civil society groups. While a presidential veto stalled the enactment of the Law, additional advocacy efforts from civil society and lobbying from key Congress persons resulted in the Congressional Court overturning the veto and publishing the law in April 2006.

Achieving Success in Mobilizing Resources

Many countries have made excellent progress in achieving sustainable financing for FP programs in recent years. Country examples show that securing financial resources for family planning can take time and may involve multiple steps, including strategic planning, on-going evidence-based advocacy and awareness raising, and monitoring to ensure governments and partners follow through with commitments. To maintain and build on advances in making FP products and services available, it is important to continue making progress toward increased FP financing by: encouraging partners’ efforts in advocating for and securing diverse, consistent sources of financing for all aspects of comprehensive FP/RH programs, including contraceptives; ensuring the availability of data and information for making financial arguments about family planning and contraceptive security; and supporting multisectoral dialogue.

Further Reading

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Tools for Financing, Forecasting, and Procurement Planning

PipeLine

http://portalprd1.jsi.com/portal/page?_pageid=93,3144386,93_3144434:93_3144448&_dad=portal&_schema=PORTAL

The Pipeline Monitoring and Procurement Planning (PipeLine) system is a software tool that helps program managers gather critical forecasting information, ensure that products arrive on time, maintain consistent stock levels at the program or national level, and prevent stockouts.

Reality √

<http://www.acquireproject.org/index.php?id=258>

Reality √ is a forecasting tool that can be used to generate data for evidence-based advocacy and planning. It allows the user to assess past CPR trends and test future scenarios for the geographic area in which a program operates, and to test whether established goals are reasonable for the local context and available resources.

SPECTRUM Policy Modeling System

<http://www.healthpolicyinitiative.com/index.cfm?id=software&get=Spectrum>
SPECTRUM is a suite of policy models used to project the need for reproductive health services and the consequences of not addressing reproductive health needs.

Achieving the IPCD Goals: Reproductive Health Commodity Requirements 2000-2015.

<http://www.unfpa.org/publications/detail.cfm?ID=284>

This report attempts to assess what it would take to meet the goal of universal access to RH commodities, estimating requirements to scale up commodity provision from current levels to universal coverage by the year 2015.

CES: Cost-Estimate Strategy for Reproductive Health Commodity Management <http://erc.msh.org/mainpage.cfm?language=English&file=4.10.htm&module=toolkit>

The Cost-Estimate Strategy (CES) is a planning, budgeting, and management tool, which provides information to enable program managers to make better-informed decisions about all aspects of reproductive health commodity management.

Contraceptive Forecasting Handbook for Family Planning and HIV/AIDS Prevention Programs. Family Planning Logistics Management. 2000. Arlington, VA.: FPLM/John Snow, Inc., for USAID.

http://portalprd1.jsi.com/portal/page/portal/DEL_CONTENT_PGG/DEL_PUBLICATION_PG1/DEL_GUIDE_HANDBK_PG1/FORECASTHANDBOOK2000.pdf (see also:

<http://www.jsi.com/JSIInternet/Publications/familyplanning.cfm>)

This is a reference book for forecasting commodity needs for family planning and HIV/AIDS prevention programs. Topics range from general methodological considerations to special considerations when forecasting for HIV/AIDS prevention programs.

The Mother-Baby Package: Costing Spreadsheet

<http://www.who.int/reproductive-health/healthsystems/mbp.html>

The Mother-Baby Package Costing Spreadsheet is used to estimate the cost of implementing a set of interventions to address maternal and newborn mortality and morbidity at the district level.

A Practical Toolkit for Writing Proposals to the Global Fund that Integrate Sexual and Reproductive Health and HIV/AIDS

http://aidsalliance.bluestatedigital.com/page/-/PDFs/SRH_Toolkit_final.pdf

This Toolkit is designed to help in-country organizations prepare proposals to the Global Fund's HIV/AIDS component that integrate reproductive health with HIV/AIDS services.

The USAID Commodities Security and Logistics Division works to advance contraceptive security by providing global technical leadership and support to country programs in research and analysis, strategic planning, program design and implementation, and monitoring and evaluation.

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