

HEALTH POLICY PLUS

Achieving Systemic Change through Budget Advocacy for Family Planning

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Effective advocacy to increase family planning budgets is an intricate and complex endeavor. Under the U.S. Agency for International Development-funded Health Policy Plus (HP+) project, capacity strengthening for budget advocacy addresses the sources of funding and the systemic changes needed to ensure financing commitments are met. Budget advocacy requires an understanding of public sector budgeting processes and financing systems, and often relies on data and evidence to drive policy and financing planners to action. HP+ and its predecessor projects have built on expertise in family planning advocacy to tackle budget advocacy using an approach that addresses underlying causes for budget shortfalls, advances systemic change, and strengthens the capacity of budget advocates to use evidence to make the case.

Budget advocacy applies advocacy-related capacities to resolve budget-related issues. This brief introduces the HP+ budget advocacy approach and provides examples of the tools and approaches employed to support increased funding for family planning.

Framing an Increase in Funding for Family Planning

To effectively conduct budget advocacy, stakeholders need to understand both why a country should be interested in increasing funding for family planning as well as the underlying reason for funding shortages. With this information, advocates can propose a feasible technical solution that also responds to issues in the enabling environment. HP+ takes a systems approach to budget

advocacy for family planning, recognizing that such advocacy relies not only on an understanding of the systems involved in family planning and health financing, but also on the capacity of the individuals and organizations involved in the advocacy efforts, the evidence they generate and apply to make their case, and the messages created to influence decisionmakers.

Advocates often develop a rationale for why a country should increase its funding for family planning based on health improvements or economic growth. However, before they get into the details of a budget advocacy strategy, they should think about how to position an increase in funding for family planning as well as the rest of the health sector. In [Beyond Abuja: Approaches for Timely and Targeted Health Budget Advocacy](#) (Prabhakaran et al., 2017), HP+ puts forward several frameworks that can be used to help position increases in health sector allocations. The authors argue that frameworks focusing on the entire health sector—rather than only family planning—can be used more effectively to develop a formalized budget advocacy strategy that yields more consistent, positive results. The three main frameworks focus on:

1. **Reaching middle-income status.** As developing countries transition to lower-middle-income status, nominal increases in domestic public health spending are likely as gross domestic product (GDP) grows. However, as a country's change in income status occurs, international donors such as Gavi and the Global Fund to Fight AIDS, Tuberculosis and Malaria use co-financing requirements and transition policies to shift the funding responsibility to countries. In addition, as countries move toward middle-income status, their citizens' expectations may increase.
2. **Achieving global and national commitments.** Most developing countries have committed to meeting global health outcomes or health sector targets that provide an opportunity for

budget advocates. Governments endorse these goals, such as the Sustainable Development Goals or FP2030 commitments on the global stage, but may not follow through nationally. These kinds of commitments can be leveraged within a local narrative and targeted to the right audiences. Raising these commitments in the context of a unified story for increased domestic spending can be useful in holding governments accountable to committing the funds needed to achieve the targets. However, when development goals are imposed externally rather than developed by national stakeholders, governments may feel less ownership and have less commitment to achieve the goals.

3. **Framing health as an investment.** Countries never have enough resources to implement every policy or program they want. However, improvements in population health provide social and economic returns several times the initial investment (Jamison et al., 2013). Ministries of health and other advocates can build the case for increased public funding for health based on the benefits of a healthier population, which benefit other sectors as well. Healthy adults are more productive workers and healthy children stay in school longer, develop and perform better, and ultimately earn more. Family planning is easily incorporated into the narrative through benefits to the health of mothers and children from longer birth spacing and the economic benefits of lower fertility.

From a Framework to Advocacy for Systemic Change

After identifying an appropriate framework, advocates must also understand the underlying problem as to why there isn't sufficient funding. HP+ identifies two common and complex challenges that budget advocacy seeks to address: (1) improving public financial management practices and (2) creating additional fiscal space for health and family planning. However, the challenges of

working through budget and financial processes and finding funds takes advocacy into a more complex set of issues.

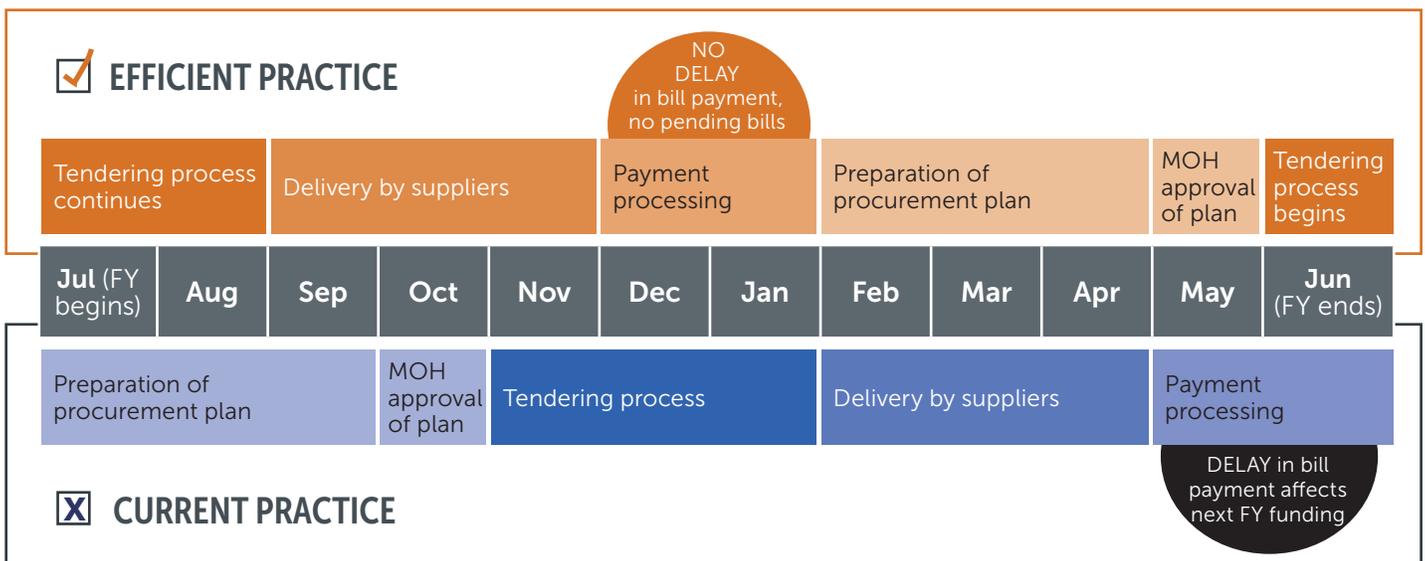
Improving Public Financial Management

Public financial management is the broad set of practices that governments use to manage public resources (both revenue and expenditure) and the immediate- and longer-term impact that public resources have on the economy or society. Because it is a broad set of practices, public financial management can pose a range of barriers that need to be addressed to increase funding for health and family planning. Here we consider three types of barriers.

Aligning public sector financial practices. While the government officials responsible for health, planning, and financing may all be on the same page about how to spend funds allocated for health, coordination with other government offices

may create barriers for budget execution. Figure 1 shows an example from Kenya, a mapping of the procurement process for the Department of Family Health (DFH). Under the current practice (bottom half of Figure 1), the procurement planning, tendering, and payment processing steps do not align efficiently with the fiscal year, which had resulted in delays in the procurement of contraceptive commodities. This situation also affected the DFH’s ability to spend the approved budget, which resulted in funds running over into the next year and the DFH not getting additional funding for the subsequent year. To support a solution to this issue, HP+ worked with the DFH to develop a practice to align the budgeting and procurement calendars to remove barriers in budget spending (top half of Figure 1). While the DFH and other departments develop their own procurement plan, each separate plan is rolled into the Ministry of Health’s procurement plan before it is rolled out. For the revised practice to achieve its goal of

Figure 1. Example of Improved Procurement Process in Kenya



aligning budgeting and procurement, it needs to be implemented across the entire ministry. Currently, the Ministry of Health's planning department, which is responsible for consolidating procurement plans, has asked HP+ to provide support in putting the practice in place during the upcoming year. This effort will streamline procurements across the entire ministry and improve budget absorption.

Improving budget execution. Many countries also experience challenges with budget execution. In most countries, the budget cycle is made up of (1) budget formulation, (2) review and approval, and (3) execution and monitoring. The third step of execution and monitoring is important because funds are not always disbursed as they are budgeted due to cash flow, unforeseen emergencies, and shifts in priorities. Often, advocates work to make the case for additional funding, but don't work effectively within the government's fiscal cycle. In addition, many government officials may recognize the need to seek increased funding, but because they don't understand the fiscal cycle, they miss the windows of opportunity to influence key decisionmakers at the right time. Efforts to improve budget execution can be unsuccessful unless stakeholders understand the planning and budgeting processes and know how to engage at the right time. To help stakeholders in Malawi understand these ideal moments for budget advocacy, HP+ developed a guide: [Monitoring Allocations and Disbursements of Malawi's National Family Planning Budget](#) (HP+, 2020). The guide outlines key steps in Malawi's budget cycle, which includes parallel processes of allocation for the coming year and disbursement for the current year. The guide highlights the commodity procurement process as part of disbursement for the national family planning program. The guide also includes tips to help stakeholders mobilize domestic resources to ensure that contraceptives are available to all Malawians who want them. The guide is being used by local organizations to track the amount in the Ministry of Health budget for family planning and advocate for sufficient funding; in addition, it

will also serve as an important tool for the ministry's Reproductive Health Division as it works with the other parts of the Ministry of Health and Ministry of Finance to be able to spend its budgeted funds.

Understanding subnational financial systems.

A third public financial management challenge relates to countries that have decentralized their health sector while their subnational governments do not have enough guidance to adequately fund family planning. Several countries have faced this challenge, and while progress has been made on funding at the subnational level, in many countries the situation is not fully resolved. In Malawi, HP+ is working with district governments to include family planning activities in their district action plans and budgets to ensure that public sector funds are put in place. While family planning commodities are funded at the national level, it is essential that domestic resources at the district level are earmarked to support a full range of family planning activities, such as training, behavior change communication, and outreach services. To help ensure districts budget appropriately, HP+ has developed the [How-to Guide: Integrating Family Planning Interventions into District Implementation Plans in Malawi](#) (Chingwalu et al., 2021). This guide helps advocates increase their effectiveness through understanding how to navigate the district planning cycle and work with the district executive committee. Young people in Phalombe District are using information from this guide to support their involvement developing the District Implementation Plan, focusing on getting youth-friendly health services (YFHS) and family planning activities that align with the [costed implementation plan](#) and the YFHS strategy included the District Implementation Plan. Similarly, young people in Lilongwe are working to engage the district health management team and the family planning and YFHS coordinator to advocate for government-funded family planning and YFHS activities in the next round of the District Implementation Plan.

Family Planning Financing Roadmap: HP+ Budget Advocacy Tool and Resource Guide



Creating Fiscal Space for Additional Budget Support

Many public sector family planning programs could benefit from additional funding, but some countries lack the fiscal space to make more funds available. Fiscal space analysis examines the current sources of government financing for health and the extent to which the sources can generate increased budgetary space for health services. Understanding the factors that limit the creation of additional fiscal space for health can help the health sector, and the country as a whole, to prioritize key policy and fiscal reforms that facilitate the mobilization of new public resources (HP+, 2017). While some advocate for taking funds from other health sector programs—trying to get a larger piece of the existing pie—a more sustainable approach is to try to increase the total funding so that all programs benefit proportionately. HP+ conducts a fiscal space analysis to identify where additional funds might come from to support family planning and other health programs. Expanding the fiscal space can come about through different ways—a few examples are presented next.

Increasing technical efficiency. An emerging way to increase funding for family planning programs is by identifying ways of improving access to family planning services for a lower unit cost—effectively doing more with the same resources. HP+ is working with stakeholders in Malawi and Kenya to identify inefficiencies in different aspects of the family planning program, such as from poor service delivery practices, family planning commodity leakage or expiry, poor procurement forecasting, limited market segmentation, use of higher-cost modes of provision (e.g., physician-only method provision, with limited or no task-shifting or task-sharing), and others. Once the inefficiencies are identified, an HP+ tool helps stakeholders isolate the root causes of these inefficiencies and implement action plans to accomplish the same type of activities at a lower cost.

Modifying tax policies. Changes in tax policies can, in addition to improving efficiency, increase fiscal space for family planning. Madagascar was able to remove a 20 percent value-added tax on all contraceptives, regardless of whether they were purchased by the government, the private sector, or a development partner. While other essential medicines were tax exempt, family planning commodities—an essential medicine—were not. HP+, working with other financial and technical partners, provided strong support to the Family Planning Directorate to advocate for the removal of these taxes. HP+ supported the development of key arguments and then the drafting of a formal tax exemption letter for the Ministry of Public Health to send to the Ministry of Economy and Finance. HP+ also was engaged with the Directorate's advocacy with members of Parliament, which focused on requesting that the Ministry of Economy and Finance remove the taxes in the 2020 Finance Law. The rationale was based on the economic importance of increased access to family planning in achieving the demographic dividend. The tax exemption for contraceptives was integrated into the 2020 Finance Law, and Parliament unanimously





approved the tax exemption for contraceptives in the new law. This tax exemption will ensure engagement of the private clinics, pharmacies, and drug stores offering family planning. It also will support the [total market approach](#) to family service provision while working toward the family planning goals laid out in the country's costed implementation plan and the family planning law.

Rather than cut a tax, Guatemala was able to redirect tax revenues to create fiscal space for family planning. In 2004, the distribution of Guatemala's alcohol tax was revised so that 15 percent of the revenue went to support reproductive health, family planning, and alcoholism programs. Five years later—in 2009—Guatemala adopted a Safe Motherhood Law that required the Ministry of Health spend at least 30 percent of the alcohol tax revenue on contraceptives. Between 2011 and 2018, the tax generated US\$15.2 million for contraceptives, approximately 28 percent of the revenue received. The overall flow of funds has

remained on track, but the annual flow of funds has been erratic due to fluctuations in how the national budget is executed. Thus, there is a need for ongoing accountability and advocacy to ensure the funding is directed to family planning. The example of creating additional fiscal space for health highlights innovative ways to create additional public sector funding for reproductive health programs.

Budget Advocacy: Understanding How to Achieve Success

Effectively advocating for increased family planning budgets is more complex than much of the family planning advocacy carried out in the past. Budget advocacy needs to start with understanding the enabling environment for family planning and making the case for increased funding within an appropriate framework, such as reaching middle-income status, achieving national or global commitments, or couching health as an investment for development. It

is not unusual for countries to initially leverage funding for family planning based on one of these frameworks; the challenge becomes ensuring that funding is sustainable. One of the reasons that budget advocacy to ensure sustainable funding is more complex is because it often has to address issues of public financial management at the national or subnational level, and many family planning advocates have not yet learned the vocabulary or systems to be able to effectively make the case. Strengthening links between financing experts and family planning advocates brings together the passion, knowledge, and capacity to help increase funding and commitment for family planning, either through effectively changing budget and financing processes or identifying new funding streams to support family planning.

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HP+ Budget Advocacy Tools

The following tools can help stakeholders better understand the policy environment, options for family planning financing, and types of strategic investment to support family planning uptake.

- The [Guide for Examining the Legal, Regulatory, and Policy Environment for Family Planning Inclusion in Universal Health Coverage Schemes](#) explains how to identify and examine whether policy instances enable or inhibit family planning's integration into health financing reforms and schemes.
- The "[Family Planning Financing Roadmap](#)" is an interactive website and resource guide for country advocates and policymakers to learn, share, and explore options for financing family planning.
- The [Guide for Identifying Catalytic Investments to Raise Domestic Resources for Family Planning](#) helps countries identify and implement catalytic interventions for domestic financing of family planning across four broad types of interventions: advocacy, capacity development, policy, and expansion of the market.



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