The GFF Investment Case in Priority Countries: Why, What, How and Beyond

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Quick refresher on the Global Financing Facility (GFF)
Why are investment cases necessary?
What is an RMNCAH investment case?
  • Process
  • Key tools: EQUIST, OneHealth, and resource mapping
  • Measuring success
Financing the investment case
Issues to consider
Global Financing Facility timeline

- **GFF announcement**: UNGA, Sept 2014
- **GFF launch, including 2nd wave countries**: Financing for Development, July 2015
- **EWEC launch; 1st Investors Group, Sept 2015**
- **2nd Investors Group, Feb 2016**
- **3rd Investors Group, June 2016**
- **4th Investors Group, Nov 2016**

**Countries**

- **Pioneers**: Tanzania, Kenya
- **National strategies first**: DRC, Ethiopia
- **Early 2016**: Bangladesh, Mozambique, Senegal
- **2nd wave quick starters**: Cameroon, Liberia, Uganda
- **Announced 3rd wave**: Guatemala, Guinea, Myanmar, Sierra Leone
- **Nigeria, Vietnam**: Determining approach
<table>
<thead>
<tr>
<th>Country</th>
<th>IDA (loan)</th>
<th>Trust Fund (grant)</th>
<th>Ratio (l:g)</th>
<th>Status (Nov 2016)</th>
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<tbody>
<tr>
<td>TAN</td>
<td>$200 mil.</td>
<td>$40 mil.*</td>
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<tr>
<td>DRC</td>
<td>$30 mil.</td>
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<tr>
<td>UGA</td>
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<tr>
<td>BAN</td>
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<td>$20-30 mil.</td>
<td>6 : 1</td>
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<tr>
<td>LIB</td>
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<td>$16 mil.</td>
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<tr>
<td>MOZ</td>
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<td>$25 mil.</td>
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<td></td>
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<tr>
<td>SEN</td>
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<td>$15 mil.</td>
<td>?</td>
<td></td>
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<tr>
<td>VIE</td>
<td>IBRD: $100 mil.</td>
<td>$15 mil.</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

* Does not include Power of Nutrition or USAID grants

- Trust Fund: Approved $167 mil. of committed $510 mil. (33%)
- Approved linked IDA: $715 mil.
- Current ratio, loan to grant: 4.3 : 1 (target 4 : 1)
- Trust Fund in discussion (not including 3rd wave): $156 mil.
- Potential 3rd wave: $35 mil. from Trust Fund
- IDA/IBRD in discussion: $550–$1,296 mil. (TBD)

Source: GFF, author calculations (2016)
### GFF country programs/investment cases: examples

#### Cameroon
- **Trust Fund:** $27 mil. → $100 mil. IDA
- **IDA focus:** MNH, nutrition, CRVS, DIB
- **Regional focus:** Yes [3 north + 1 east]
- **Had health financing strategy before approval/investment case?** No
- **GFF investment case final?** Yes
- **Ext. Partners:** GFF + France + Germany + GAVI + GFATM, PEPFAR

#### Bangladesh
- **Trust Fund:** $20-30 mil. → $150 mil. IDA
- **IDA:** Health sector strengthening, focus on RMNCAH, multi-sectoral
- **Regional focus:** Not explicit
- **Had health financing strategy before approval/investment case?** Yes
- **GFF investment case final?** No
- **Ext. Partners:** GFF + JICA + USAID + WHO

#### Uganda
- **Trust Fund:** $30 mil. → $110 mil. IDA
- **IDA:** Aligned Sharpened RMNCAH Plan
- **Regional focus:** Not explicit
- **Had health financing strategy before approval/investment case?** ~Yes
- **GFF investment case final?** No
- **Ext. Partners:** GFF + DFID + GAVI + SIDA + USAID, Merck for Mothers

#### Mozambique
- **Trust Fund:** $25 mil. → $150 mil. IDA
- **IDA focus:** MNH, health system strengthening
- **Regional focus:** Not known
- **Had health financing strategy before approval/investment case?** No
- **GFF investment case final?** No
- **Ext. Partners:** GFF + Swiss Dev. Coop. + USAID
Why are investment cases needed?

Most GFF engagements have been around a World Bank health sector IDA loan
  - RMNCAH focus may or may not be prominent in loan
  - Such focus can be added, especially with Trust Fund grant

Investment case can then help to bring RMNCAH into focus

Why do an investment case?
  [GFF Theory]
  1. RMNCAH is broad, must prioritize
  2. Government/GFF resources are scarce, so use an equity lens
  3. Focus on delivery for time-bound achievement and impact
  4. Must set ambitions within context of resources available

RMNCAH programs: Unknowns
  [The Practice]
  • Which interventions to prioritize?
  • Everywhere or pick areas?
  • Who are the most underserved?
  • What prevents higher coverage?
  • How much will it cost?
  • What funds do we have already?
  • What more can we mobilize?
Process and tools: An RMNCAH investment case

1. Approach to investment plan development
   - Define investment case roadmap
     - Roles
     - Timeline
     - Milestones
     - TA needs
     - Link to HFS
     - Dialogue b/w partners
   - Use EQUIST
   - Set targets
   - Sub-national differences
   - Structural shifts

2. Situation analysis and key results

3. Bottlenecks and potential investments
   - Identify:
     - Key bottlenecks
     - Priority high-impact interventions
     - Strategies to address system bottlenecks
     - Multi-sector interventions including CRVS
   - Assess costs & cost-effect
     - OneHealth or other costing tool (CIP?)
     - Fiscal space analysis
     - Resource mapping by partner (e.g., CHAI tool)

4. Costing, cost-effectiveness, and resource mapping
   - Revisit implementable strategies and interventions
   - Compare to resources available
     - Define scenarios
   - Prioritize: EQUIST/LiST

5. Prioritization and maximization of returns on investment
   - Define results framework
   - Define M&E investments
   - Align with WHO’s “Core 100 indicators”
   - M&E for Global Strategy

6. Monitoring and evaluation

7. Agreement on sources of financing for the investment plan
   - Agreement with govt. on co-financing
   - Dialogue between partners

Health financing strategy (HFS)

Source: Based on World Bank (2016)
Prioritization: Using the EQUIST platform

Stepwise process

1. Prioritize targeted **population**

2. Prioritize **diseases/health issues**

3. Prioritize **interventions**

4. Prioritize key bottlenecks

5. Prioritize key causes of bottlenecks

6. Select strategies to address causes of bottlenecks

7. Assess expected **impact** and cost

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- **2 northern provinces (highest U5MR, 60% of all child deaths)**
  - Pneumonia and malaria – accounting for 65% of all child deaths in 2 provinces
  - Antibiotics for pneumonia and ACT for malaria, low coverage (20%) in 2 provinces
  - Availability of antibiotics + ACTs: Frequent stockouts in these 2 provinces
  - Sufficient procurement nationally but weak local supply management in 2 provinces
  - Training of local managers, local storage, and distribution
  - XXX deaths averted, YYY lives saved per $ invested

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*Based on UNICEF (2016)*
Prioritization: Using the EQUIST platform: screenshot

EQUIST is web-based. The platform can be used to create, save, and view scenarios.
Cost analysis: Using the OneHealth tool—caveats

- If national strategy OneHealth costing exists (health sector or RMNCAH), use it.
- New costing conducted only for GFF/RMNCAH investment case may take time.
- Need to focus costs only on identified priorities.
- Iterative process! (new priorities → new coverage → new costs).

Based on WHO (2016)
Cost analysis: Using the OneHealth tool—deep dive

Health Program X

**Intervention A:** Target population size

- Percent of target population in need of the intervention (PIN)
- Target coverage
- Numbers reached by Intervention A

**Cost per person per year for Intervention A**

**Intervention B:** Target population size

- Percent of target population in need of the intervention (PIN)
- Target coverage
- Numbers reached by Intervention B

**Cost per person per year for Intervention B**

**Total costs of drugs and commodities for Program X**

Source: HPP (2015)
Cost analysis: Using the OneHealth tool—deep dive

Cost per person, “ingredients-based” approach

- Percent (%) receiving Commodity A
- Number of units
- Times per day
- Days per case
- Unit cost (US$)

- Percent (%) receiving Commodity B
- Number of units
- Times per day
- Days per case
- Unit cost (US$)

Average cost per person per year for Intervention A

This is repeated for all programs x interventions. However, this is just the tip of the iceberg.
A full costing requires adding all non-intervention costs (e.g., trainings, supervision, M&E, etc.)

Source: HPP (2015)
### Resource Mapping Tool

Malawi Ministry of Health Resource Mapping Tool: Activity Input Worksheet

#### Section 1: Activity and Actors

<table>
<thead>
<tr>
<th>Row Complete?</th>
<th>Row Number</th>
<th>Project Name</th>
<th>Description of Activity</th>
<th>Financing Agent</th>
<th>If OTHER please specify</th>
</tr>
</thead>
</table>

#### Section 2: Program/Systems Area and Details of Activity

- **Is there a sub-implementing agent?**
  - Activity conducted should be attributed to the lowest level of implementer.

- **Primary Implementing Agent (list only one)**
- **Financing Agent**
- **Description of Activity**
- **Programmatic Sub-Function**
- **National Strategic Plan - Strategic Action**
- **National Strategic Plan**
- **Currency**
- **Geographical Section**

#### Section 3: Categorization of Activity

- Please enter “NSP Not Applicable” if the activity is not related to HIV.

#### Section 5: Budget Commitments

- **Tracks current resources and future commitments [not retrospective]**
- A basic spreadsheet that allows data to be entered by multiple stakeholders and then aggregated into a master dataset (analyzable, chartable).
- All categories are pre-defined and standardized to collect a dataset that is comparable across development partners and government.
- Technically relatively easy; key success factor is the political buy-in.
- Also good to have: NHA (latest year) and/or a Public Expenditure Review.
How to measure progress and quantify impact?

GFF Theory of Change

Direct results measured with RMNCAH service delivery and impact indicators

Net impact of GFF (besides direct funding) will be hard to discern

Domain 2: Indirect effects on the ecosystem

Domain 1: direct financing focused on results

Indirect:
• Guidance
• Technical assistance
• Knowledge and learning
• Influencing (e.g., through Investors Group)

Direct: Financing (domestic and external)

Investment Cases
Smart financing
Scaled financing
Sustainable financing
Global public goods
Health financing strategies
Improved capacity to track progress
RMNCAH, health systems, and multisectoral
Reduced morbidity and mortality and improved quality of life of women, children, and adolescents

Domain 2 Results: examples (smart fin., scaled fin.)

<table>
<thead>
<tr>
<th></th>
<th>Data</th>
<th>Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocative efficiency: % funding to RMNCAH</td>
<td>NHAs</td>
<td>Lagged effect, regularity of NHA</td>
</tr>
<tr>
<td>Technical efficiency: purchase price for RMNCAH items</td>
<td>Gov.</td>
<td>Connection to investment case/GFF? Data, etc.</td>
</tr>
<tr>
<td>Health expenditure composition (out-of-pocket, etc.)</td>
<td>NHAs</td>
<td>Lagged effect, regularity of NHA</td>
</tr>
<tr>
<td>Harnessing the private sector: coverage, innovation, etc.</td>
<td>N/A</td>
<td>Qualitative. Unclear link to investment case/GFF</td>
</tr>
</tbody>
</table>

Source: GFF (2016), author review
Financing the investment case

Key points of recent experience

- **Health Financing Strategies (HFS)** mentioned repeatedly as linked to investment case
- Note: IDA/IBRD health loans count as **domestic resource mobilization**
- Most countries recently engaged do not have a **final or draft HFS**
- “Crowding-in” effect of GFF trust fund: more **domestic** (public or private) or additional **external** (e.g., Power of Nutrition, USAID, philanthropic)?
- **More coordination needed** on health financing links to RMNCAH *(box)*
  - Linked technical assistance/data
  - Linked in-country advocacy
  - Long term vs. immediate viewpoints

RMNCAH link points with health financing reform agenda

- Include RMNCH interventions in **benefit packages** for social or national health insurance
- Define an essential PHC package for **subsidy: free care; pay for premiums** for the poor
- Increase public fiscal space or efficiency to **finance RMNCAH commodities** and services
- **Earmarked taxes** for RMNCAH
- **Performance-based financing** (RMNCAH outputs included)
Key issues to consider in the future

Why/when to do an investment case
- World Bank subsidized loans have been the main mechanism for RMNCAH-GFF investment cases and Trust Fund engagement
- But they don’t have to be (e.g., Madagascar, Malawi)

How investment cases are done & implemented
- GFF Trust Fund/IDA approved without complete investment case, HFS
- RMNCAH defining, prioritizing, costing, and resource mapping exercises complex, exceed timeline for loan-grant making?
- Implementation planning for investment case—how to include more partners

Going beyond the investment case: sustainability
- Potential for great time-bound improvements in RMNCAH results
- Without more integral links to health finance reform, how can gains be sustained?
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