

FACTSheet

How Donor Countries Fall Short of Meeting Reproductive Health Needs

At the International Conference on Population and Development (ICPD) in 1994, the international community pledged to share the costs of reproductive health care in developing countries, estimated at US\$18.5 billion annually by the year 2005. Donor nations committed to provide one-third of this total, or \$6.1 billion. Donors still fall far short of this pledge, once inflation is taken into account, and actual resource needs are dramatically higher today.

North-South Health Gap Remains

- **Vast differences remain in reproductive health status between rich and poor countries.** Donors focused on achieving the Millennium Development Goals – and concerned with poverty reduction, human rights, HIV/AIDS and development – must provide sufficient financial resources for sexual and reproductive health services (population assistance).

Donor Funding Falls Short

- **Though population assistance has increased dramatically in recent years, reaching \$4.7 billion in 2003, it still lags far behind agreed upon goals.** Assistance from donor countries alone increased from \$2.3 billion in 2002 to \$3.7 billion in 2003, the largest one-year increase ever recorded, due to increasing attention to the HIV/AIDS pandemic. However, to achieve the inflation-adjusted ICPD goal for annual funding in 2005 (\$8.3 billion in 2005 dollars) would require doubling donor countries' 2003 spending.
- **Each donor country's "fair share" contribution for 2005 funding goals is about \$300 per million dollars of gross national income (GNI); in 2003, the United States gave just \$165.** The most generous donors of population assistance, which contributed an average of \$400 per million dollars of GNI in 2003, are the Netherlands, Norway, Luxembourg and the United Kingdom.



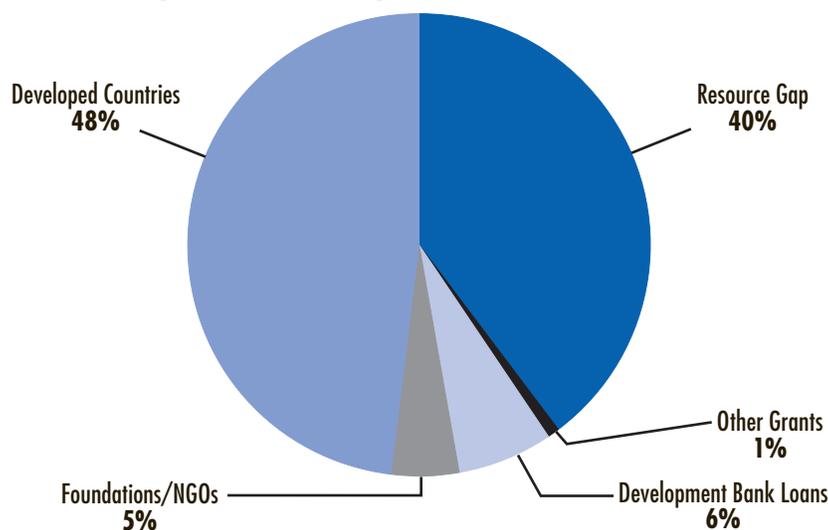
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- **In absolute dollar terms, the United States, the United Kingdom, the Netherlands and Germany were the largest donor countries in 2003.** However, the progress required of each donor country to meet its "fair share" of the year 2005 goal paints a different picture of relative commitment. The United States would need to increase its 2003 population assistance of \$1.8 billion by more than \$1.2 billion – the largest shortfall among donor countries.
- **The original ICPD cost estimates are now outdated, largely due to the much greater financial resources needed to combat HIV/AIDS.** Taking this and inflation into account, roughly \$40 billion (from all sources) is now needed annually to meet critical sexual and reproductive health needs in poorer countries.

Donor Policies Have Strengthened

- **The governments of Denmark, the Netherlands, Norway, Sweden and the United Kingdom remain committed to addressing sexual and reproductive health needs.** Canada and Germany now have clearly articulated policies in this area, while those of Belgium, Finland, France and New Zealand have improved. The United States has moved backwards, however, having reimposed restrictions on its international assistance for family planning.

Total 2003 Population Assistance by Donor Category, as Percentage of Inflation-Adjusted ICPD Goal



Data Source: UNFPA/UNAIDS/NIDI Resource Flows Project 2005. Available at <http://www.resourceflows.org>.

A doubling of donor country funding would still cost less than three pennies per person per day – about the cost of a single movie ticket each year.

Source: Ethelston, S, et al. 2004. *Progress & Promises: Trends in International Assistance for Reproductive Health and Population*. Washington, DC: Population Action International. Updated data available at: <http://www.populationaction.org/progressandpromises>

- Since the mid-1990s, donor governments have increased bilateral and non-governmental organization (NGO) funding as leading donors further expanded their bilateral programs. Most donor countries with strong bilateral programs have also continued to support international organizations. The United States was the only major donor country to deny funding to both UNFPA (the UN Population Fund) and the International Planned Parenthood Federation in 2003.

More Funds for HIV/AIDS

- Population assistance to sub-Saharan Africa more than doubled in 2003 to \$1.2 billion as the donor response to HIV/AIDS strengthened. Expenditures for HIV/AIDS activities increased from \$242 million to \$1,862 million from 1996 to 2003 – more than a five-fold increase in real terms. Spending on reproductive health and family planning increased by 20 percent in real terms, from \$1,058 million to \$1,495 million, but this reflects a slight decrease from 2002 to 2003.

Tracking Resource Flows

- Many donors prefer to support comprehensive reproductive health programs that integrate family planning, maternity care and other services.

Donors are also increasing support for more systems-oriented approaches to providing health care, but this spending is not generally captured in population assistance figures. Tracking assistance for specific aspects of sexual and reproductive health, such as services for adolescents and reproductive health supplies, also presents a challenge. In 1999, a change in definition added care, treatment and support to the HIV/AIDS category of population assistance. Population assistance also includes research, family planning and basic reproductive health services.

Other Donors Play Important Role

- World Bank loans totaled \$501 million in 2003.

The World Bank is influential with other donors, in particular through the poverty reduction strategy process. It is also a key donor of reproductive health supplies.

- Contributions by private charitable foundations increased five-fold between 1996 and 2002, but may have declined in 2003 to just over \$300 million. Still, however, some foundations contribute assistance equal to that of individual donor countries.

Fulfilling the Promise of ICPD

- Meeting reproductive health goals will require a greater commitment of resources by both donor and developing countries. Donors have a special role to play in helping to ensure:

- greater capacity among developing countries in reproductive health, management and information systems, and the economics of reproductive health;
- stronger coordination among donor and developing countries, as well as NGOs, to ensure the effective use of resources;
- the use of appropriate indicators for measuring success so that accountability is possible;
- and the linking of reproductive health and HIV/AIDS initiatives and, where possible, integration.

- The doubling of donor country funding required to meet the ICPD goal for 2005 is still less than three pennies a day per person in the world's wealthiest countries – about the cost of a single movie ticket each year.



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