

# Who Pays for Progress? The role of Domestic Resource Mobilisation and Donor Aid for Health Financing in Africa

## ABSTRACT

In light of the FFD outcome document and its focus on DRM, **RESULTS UK, KANCO and WACI** launch a new report on health financing in a time of shared responsibility in Addis in July. As low-income countries grow and 'transition' to lower-middle income status, many face huge challenges in securing sufficient financing for health to address the significant financing gap that still exist to achieve universal health coverage. Speakers from the World Bank, the Government of Kenya, the UK Department for International Development, and others (tbc) will discuss the benefits and potential of DRM as a way to address the funding gap, whilst emphasising the continuing crucial need for ODA.

## FULL DESCRIPTION

Our side-session at the 3<sup>rd</sup> Financing for Development Conference (FFD) will focus on Domestic Resource Mobilisation (DRM) for health. We introduce this topic through the launch of a new report, co-authored by RESULTS UK, the Kenya Aids NGO Consortium (KANCO) and the World Aids Campaign International (WACI). The report, which uses Kenya as a case study, seeks to highlight the global challenges countries face in addressing the health financing gap, especially in light of the transition to lower-middle-income status (LMIC).

We believe this to be an important point to focus on as in spite of this change in 'status', as defined by simple economic criteria, there has been little change in daily life for the poor majority. Access to quality health care is still restricted for millions of Africans, especially for those that live in rural area or urban slums. Countries continue to face huge challenges in securing sufficient financing for health, no matter what their economic status as defined by the World Bank.

Our event aims to explore how countries can address their health financing gap, in particular, with an increase in DRM. The report itself is aimed at both aid recipient and donor countries and civil society and we hope will be of interest to international institutions as they explore the balance between DRM, Official Development Assistance (ODA) and other innovative financing mechanisms.

## LAUNCH EVENT OBJECTIVES

Our main objective is to convene an event which will enable high level dialogue on the financing gap for health between key international stakeholders, including: representatives from the Government of Kenyan, representatives from African Union countries, international donors, including the UK Department for International Development (DFID), and civil society from both developed and developing nations.

Due to the nature of our report, which looks at both financing and global health needs, we invite Ministers of Finance and Ministers of Health and their officials from governments of low and lower-middle income countries (both within and outside of Africa), as well as those from donor agencies and civil society.

Discussions will be introduced through our report and focus on research in Kenya, but the relevance of the conclusions and recommendations will extend far beyond this, especially in the context of overall FFD discussions and the impending SDGs.

Finance for Development is a complex issue, with numerous assumptions being made from all sides on aid and domestic financing capabilities, which often makes the issues difficult to engage with. Our session will aim to identify the opportunities which exist for financing for health in the future. All those interested in the balance of finance for health in the future are invited to attend and we will ensure there is time for questions/participation from the audience.

Some proposed key discussion areas include:

- The **'shared responsibility'** between donors and governments, highlighting the continued importance of ODA for health, alongside the emerging potential of DRM, especially through strengthened tax revenue systems.
- The **importance of continued support for ODA even after a country is classified as a LMIC**, and a consideration of lessons learned from previous changes to international funding from global funds.
- **The role and policies of international institutions** such as Gavi, the Vaccine Alliance (their graduation policy), the Global Fund to Fight Aids, Tuberculosis and Malaria (local contribution criteria) and the Global Financing Facility.
- The relationship between **taxation, sustainability and equity**. Including:
  - The potential of African Governments to do more to increase taxes and invest subsequent increases in health.
  - The importance of equity and inclusive growth. For example, the Kenyan economy is growing at 5% per annum but still 45% of the population live under the poverty line.
- Health financing is an **investment in the whole economy**. For example, every \$1 invested in nutrition can result in over \$30 savings.

The framing for all our discussions will be to highlight the need for increased financing from both donors and countries themselves if we are to reach universal health coverage. **Only ODA and DRM together can fill the health financing gap.**

## FORMAT OF THE EVENT

The event will be co-hosted by RESULTS UK, KANCO, WACI, and ACTION.

**Yvonne Chaka Chaka, Princess of Africa Foundation and UNICEF Goodwill Ambassador for Malaria**, will open the event, welcoming our guests and explaining the importance of health financing from her extensive experience.

**Steve Lewis, Head of Policy Advocacy, RESULTS UK and report author, and Evelyn Kibuchi, TB Project Manager, KANCO**, will give a short presentation introducing the report, "Who Pays for Progress? The role of Domestic Resource Mobilisation and Donor Assistance for Health Financing in Africa". The presentation will frame the following panel discussion on the key themes of the report.

We are still confirming panel members but prospective speakers include:

- **Tim Evans, Senior Director** for the Health, Nutrition and Population Global Practice at The World Bank Group (confirmed)
- Representative from the Government of Kenya
- Representative from the UK Department for International Development/UK government
- Health worker who has been affected by lack of financing for health.

The discussion aims to build a strong and united conversation about how we can fill the health financing gap which exists in Kenya and around the world.

Light refreshments will be available.

## LOGISTICS

Currently, the event is taking place on **Monday 13<sup>th</sup> July, 6:15-7.45 at the Jupiter Hotel, Addis Ababa (Conference Hall)** which is a short walk from the UN Conference Centre.

## FURTHER DETAILS

All are welcome at this side event.

Please RSVP to Laura Kerr, Policy Advocacy Coordinator, RESULTS UK on [laura.kerr@results.org.uk](mailto:laura.kerr@results.org.uk) or +44 (0) 20 7793 9370.