

# **INVESTORS GROUP MEETING**

**NOVEMBER 29-30, 2023** 

# GLOBAL FINANCING FACILITY (GFF) CLIMATE AND HEALTH

## **OVERVIEW**

This paper presents a proposal to develop a climate and health approach for the Global Financing Facility (GFF). Within the context of the key risks that climate change poses for women, adolescent, and child health, and the opportunities for integrating climate and health into GFF programming, there is ample scope to consider new entry points for collaborations and for leveraging the GFF model. While the GFF's work at the intersection of climate and health is at preliminary stages, this paper outlines some of the complexities involved, avenues that will need further unpacking, but also promising leads for advancing this work and for uncovering the GFF's potential and unique contributions.

# **ACTION REQUESTED**

The Investors Group is requested to share initial thoughts and endorse the proposed approach for the GFF to leverage its unique role and incorporate climate considerations as part of its work.

## **SUMMARY**

Climate change is increasing health burdens, directly and indirectly, and is also affecting the delivery of and demand for health systems and services. This includes potential impacts on women in pregnancy and childbirth, newborns, and children, as well as adolescents. Climate change will also affect the ability of health systems and services to deliver healthcare, and therefore affect the delivery of GFF programming and results.

The paper considers potential options for GFF to engage with climate issues within its 2021-2025 strategy. As a country-led mechanism, GFF could play a significant role in climate and health through its focus on women, children, and adolescents, but more broadly with respect to climate-resilient health systems. This role would need to be integrated with the COP26 health agenda, available guidance on using systems-based approaches to climate and health, and the priority for integrating adaptation into existing health programming rather than as a stand-alone initiative. There is also potential for GFF to ensure climate and health programming integrates gender equality and social inclusion, but also to go beyond this, to work with women, children, and adolescents as change agents. With respect to its investors, it is recognised that all finance provided through GFF should be Paris aligned, and that climate and health finance could be tracked and reported.

This paper reviews GFF's model and identifies its comparative advantage in the climate and health space. The country led model provides an important modality for providing facilitating technical assistance on climate and health in GFF focus areas, as well as supporting countries to implement their health adaptation priorities. GFF also has a unique position and high valued added in supporting PHC financing and in this context ensuring that climate is adequately considered and integrated and the scale-up of climate and health financing. The GFF also has a comparative advantage and potential for a high value added in supporting a women, children and adolescent focus in broader health and climate programming, including from early vulnerability and health National Action Plans through to climate integration in health systems and services. However, it is stressed that this work is at a gestational stage, and that the success of climate and health programming is likely to be greater if GFF consults and join forces with a range of partners. Of course, the World Bank's progress on climate work under the Climate Change Action Plan 2021-2025 serves to guide on the way forward, in particular as regards the work on climate and health led by the Health, Nutrition and Population Global Practice, which whom the GFF collaborates closely on jointly financed projects.

The paper considers several potential options that GFF could focus on, within the current 2021-2025 strategy and beyond. These options are in line with the World Health Organization (WHO) framework for Climate Resilient Health Systems. They include how best to support countries on climate and health, as well as the principles of engagement. This includes potential engagement on technical assistance on climate and health, new ways of programming support (for example, using results-based modalities), support on policy reform, integration of climate in aspects of GFF programming, training and capacity building, support for leveraging climate finance, and monitoring, evaluation, and learning. Possible examples are presented, including early work on exemplar countries, while developing the approach for scaling up to all countries.

For example in Pakistan, the GFF/World Bank's response to the devasting floods in 2022 leveraged the financing instrument of the Program for Results of the National Health Support Program combined with gender- and equity-sensitive measures to ensure PHC reforms that are climate

resilient and client-focused. The Program has specifically built in a Disbursement Linked Indicator on facility readiness that addresses climate risks, while ensuring delivery of results in lagging areas and for essential services that are largely targeting women, adolescents and children. Moreover, the immunization DLI as well as the commodities DLI both require storage conditions that are protected from heat, pests and floods. Finally, Public Financial Management reforms in the program aim to avail district and facility level budget autonomy to enable need-based rapid deployment of resources to respond to climate and other emergencies.

The intention is to develop these initial concepts into a proposed climate and health approach [strategy] that can be integrated into the GFF strategy 2021-2025 and future strategy, co-developing a draft for this approach in collaboration with investors and partners over coming months. A series of potential questions to explore in the strategy and next steps are set out for consideration.

## **INTRODUCTION**

## Climate impact on women and children's health

Women, adolescents, and newborn and young children face unique health risks from a changing climate. These health risks can be direct (heat, flood, wildfire, storms, and drought), ecosystem-mediated (vector-borne diseases, food- and waterborne infections, air quality), or indirect through human or social responses to climate change (e.g., malnutrition, migration, and conflict). Each of these exposure pathways can affect women, adolescents, and children by altering the burden of associated injuries, illnesses, mental health, and mortality.

Higher temperatures during pregnancy can affect the ability to perform outdoor labour, can increase the prevalence of miscarriage, premature birth, and anaemia, and can affect the nutrition of newborns. Extreme weather and climate events, such as floods, storms, and cyclones, are associated with decrements in mental health and well-being, and often increase gender-based violence.

Higher temperatures can promote the growth of a range of pathogens associated with water- and food-borne diseases, as well as affecting the use of water that can increase exposure to these pathogens; these changes can increase the prevalence of diarrheal diseases. Higher temperatures are resulting in expansion of the geographic range, seasonality, and intensity of transmission of vector-borne diseases such as dengue fever and malaria. Climate change is reducing crop yields in many vulnerable regions, leading to a higher prevalence of food insecurity. Malnutrition and water-, food, and vector-borne diseases are intertwined, creating additional risks for young children when climate change alters their prevalence.

# Impacts on access to healthcare of women and children from climate-related hazards

Risks to population health systems, health infrastructure, and access to SRHR arise from the interactions of climate-related hazards with the exposed healthcare facilities; the associated vulnerability; and the capacity to prepare for and effectively manage the risks. Climate change can jeopardize critical infrastructure (e.g., water and sanitation infrastructure, hospitals, and health facilities) and destabilize systems that maintain population health (e.g., through flooding events or the effects of sea level rise on coastal regions). There are multiple cascading risk pathways from changes in the mean and variability of temperature and precipitation. Extreme precipitation and flooding can overwhelm or damage water treatment systems and damage critical water supply and sanitation infrastructure. Elevated temperatures can increase the geographic range and seasonality of vector-borne diseases, resulting in disease outbreaks that affect population health and restrict

access to healthcare and SRHR when facilities are overwhelmed. For example, cyclones Ida and Kenneth in Mozambique resulted in outbreaks of diarrheal diseases and malaria because of lack of access to safe water, poor sanitation, stagnant floodwater, and overcrowding in the camps for displaced people.

## The Impact of climate change on GFF programming

Climate change is already impacting the ability of health systems to deliver basic, essential care, particularly in low- and middle-income countries with increased demand for treatment for direct or indirect climate-related health problems, and decreased access to healthcare and SRHR. Climate change therefore affects the delivery of multiple aspects of GFF programming and its results. GFF programming can focus on reducing exposure to climate-related hazards, increasing healthcare access and resilience, and building the capacity of health systems to effectively manage risks projected to increase with further climate change.

# CONSIDERING CLIMATE CHANGE IN GFF PROGRAMMING WOULD FACILITATE DELIVERING ON ITS MISSION AND STRATEGY

As a country-led mechanism for improved health systems and outcomes, the GFF has a potentially significant role to play in climate and health in its focus areas of women, children, and adolescents, but also more broadly with respect to climate-resilient health systems. However, there are several issues in considering the opportunities and role for GFF. This section sets these out.

# Taking a systems approach to climate and health

Health systems have historically been organized to manage health burdens thematically, with, for example, separate programs on maternal and child health, integrated vector management, disaster risk management, and others. However, climate change is a crosscutting issue that can simultaneously affect multiple health outcomes, cutting across mandates of departments and programs. For example, increasing temperatures can result in heat stress, outbreaks of vector-borne diseases such as dengue fever, changes in the quantity and quality of freshwater, and changes in food security – all of which affect women, adolescents, and children. Effectively addressing the health risks associated with climate change requires more integrated, systematic approaches. These include increasing resilience to climate change through reducing the upstream drivers of ill-health, for example, poverty, inequity, and limited food and water safety and security, particularly for the most vulnerable, poor, and marginalized communities.

## Integration in health development planning and delivery

To date, most health and climate initiatives in countries have been small-scale and at the project level. They were/are being implemented as stand-alone activities. However, there is a need for strategic and programmatic approaches. This includes the mainstreaming (integration) of climate adaptation (and mitigation) upstream when developing national health sector development plans, in medium term plans (for example, into 5-year sector development plans), medium term expenditure frameworks, and thus into annual budgeting<sup>1</sup>. This integrates adaptation into core health delivery and can leverage development budgets and nudge sector development along climate smart pathways. It can also help health ministries to access wider funding (e.g., sector budget support, health programming) and global finance.

<sup>&</sup>lt;sup>1</sup> https://www.bmj.com/content/376/bmj.o313

# Aligning to the COP26 initiative

During the 2<sup>6th</sup> UN Climate Change Conference (COP26) a health programme was promoted<sup>2</sup> for climate resilient and low carbon, sustainable health systems: the Alliance for Transformative Action on Climate Change and Health (ATACH). The approach to climate and health in GFF should build on and support this COP initiative and help support the commitments made by countries within it.

# Opportunity to engage women, children and adolescents

Climate change can exacerbate inequalities in multiple dimensions of social identity, including gender. The need to address this has been recognized through international commitments, including the UNFCCC Gender Action Plan, that includes the use of gender-responsive finance (UNFCCC 2017³). Progress on integration of gender equality and social inclusion (GESI) is typically classified using a 'continuum', as below. This evolves from gender or GESI-blind programming, through intermediate levels that acknowledge gender and social inequality and target the needs of disadvantaged groups, or target opportunities for inclusion based on gender and other facets of social identity, through to more transformative approaches that seek to address the root causes of gender and social inequality. There are obvious linkages to the GFF focus areas in relation to GESI sensitive and response programming and the potential for more transformative approaches.



Alongside this, there is also increasing evidence (see Roy et al, 2022<sup>4</sup>) that adaptation programmes that consider gender dynamics are more effective and efficient. There is therefore the potential for GFF to deliver adaptation through women, children, and adolescents as change agents, when adequately supported and empowered, both in terms of delivery and advocacy for climate resilient health systems.

# **Helping to bridge the Health Adaptation Finance Gap**

Recent work undertaken for the UNEP Adaptation Gap Report 2023<sup>5</sup> identifies a large adaptation finance gap for developing countries, i.e., the gap between what is needed for adaptation, and current (international public) adaptation finance flows. A deep dive on the health sector is under preparation by Global Fund. Further the Climate and Health Economic Valuation (CHEV) tool has been developed by the World Bank to estimate current economic impacts of climate on health. Despite a wealth of evidence linking climate exposures to health risks, there is relatively limited data on the associated costs – this is particularly the case for the most climate vulnerable countries. Being aware of these economic impacts would enable decision-makers to determine whether the costs of action outweigh the costs of inaction. Currently only about 0.5 percent of climate adaptation funding goes to health, while little or no health funding Is geared toward climate change date. Considering the role that the GFF plays in supporting governments to mobilize domestic resources for health and

 $<sup>^2\</sup> https://cdn.who.int/media/docs/default-source/climate-change/cop26-health-programme.pdf?sfvrsn=cde1b578\_10$ 

<sup>&</sup>lt;sup>3</sup> https://unfccc.int/sites/default/files/cp23\_auv\_gender.pdf

<sup>4</sup> https://doi.org/10.1057/s41599-022-01266-6.

 $<sup>^{5}\</sup> https://www.unep.org/resources/adaptation-gap-report-2023$ 

the range of partners the GFF engages with, it has a potentially important role in helping to scale up adaptation finance for health.

# **Ensuring GFF is Paris Aligned**

GFF investors signed up to the principles of Paris Alignment, i.e., to ensure consistency with the Paris Agreement.<sup>6</sup> This is important given the high contribution of health systems and infrastructure to global GHG emissions, which are estimated at approximately 5%<sup>7</sup>. However, alignment also relates to the other elements of the Paris text, including on adaptation, aligning finance, etc. A strategic outlook for GFF to consider is therefore to ensure Paris Alignment in all its programming and financing, including co-financing.

## **Tracking climate finance**

As part of the existing commitments and current negotiations on climate finance, it is important for GFF investors to track their climate finance spend. The broad approach to climate finance tracking is set out in the OECD DAC Rio markers, and climate finance is reported in the OECD DAC database, but the exact approach to climate finance tracking varies between funders. Further work is needed to explore how the GFF can help track climate finance through its work and engagement with investors and partners, notably through its country-based resource mapping and expenditure tracking.

#### **POTENTIAL OPPORTUNITY**

The World Bank, World Health Organization, and other organizations developed frameworks for measuring the climate resilience of health systems. These frameworks incorporate climate change into health policies and programs through a systems-based approach, and can be used to assess health system capacity and adaptation efforts and help determine what is needed to modify current policies and programs and implement new ones to be effective in a changing climate.<sup>8</sup>

Because many of the drivers of climate-sensitive health outcomes are based in other sectors, and these sectors are taking their own actions to adapt to and mitigate climate change, health programming needs to build strong collaborative mechanisms. This requires collaborations among a number of ministries, including through the climate change focal points.

## Why GFF?

The GFF country led model lends itself to a more systematic approach and aligns to the preferred approach for mainstreaming (integrating) climate and health in existing health policy, planning and delivery (rather than as a standalone initiative). The alignment around prioritized policy reforms that

<sup>&</sup>lt;sup>6</sup> https://unfccc.int/documents/9097.

<sup>&</sup>lt;sup>7</sup> The 2022 report of the <u>Lancet Countdown on health and climate change</u>: health at the mercy of fossil fuels, suggests 5.2%.

<sup>&</sup>lt;sup>8</sup> Have health vulnerability and adaptation assessments been conducted? Is there a national health adaptation plan or national adaptation plan that incorporates health risks and capabilities?

Are there memoranda of understanding with the national meteorological services to collaboratively develop early warning and response systems?

Does the health workforce have the core competencies to manage the risks to MCH from climate change, effectively incorporating the challenges into policies and programs? This includes having sufficient understanding/access to climate and environment sciences; drivers of climate change; climate and health evidence, projections, and assessments; iterative risk management; mitigation, adaptation, and health co-benefits; and strategies to harness national/regional/local agreements and frameworks.

Is service delivery, including supply chains, prepared for future climate change, including more intense extreme weather and climate events? What modifications are needed for surveillance and monitoring systems to track the burden of climate-sensitive health outcomes and the effectiveness of interventions to protect and promote MCH health and the health infrastructure?

Are the policies and programs regularly evaluated and modified to ensure effectiveness as the climate continues to change? Does the health system have the capacity, training, and tools to make quick pivots in operations and service delivery in response to emerging information on risks?

GFF supports, as well as the inclusivity of the country platforms that can bring in the voices of climate-affected communities and represent a strong value-add.

As identified in the WHO framework, there are initial technical needs to develop climate risk and vulnerability assessments and health NAPs, and these will include the programming areas of GFF. However, while there is a value added for GFF in supporting technical assistance for climate and health for its focus areas of women, children, and adolescents, this needs to be integrated within the broader climate and health integration, and initiatives of WHO in this area, as well as the World Bank's HNP team. There is also a related question of how this technical support is provided, i.e., with capacity building programmes, and ideally embedded support in line ministries, as this leads to the most effective and efficient programming that is sustainable.

Conversely, there is a role for GFF to provide support into Climate and Health Vulnerability Assessments and health NAPs, as well as Climate and Health Economic Valuation Tools to ensure a focus on women, children and adolescent is included. GFF has a strong comparative advantage for gender and socially inclusive programming, and transformative approaches that address structural and socio-cultural barriers to and drivers of inequality in health.

This provides an area of high value added for GFF, as well as helping to roll out such tools into GFF country led processes.

There is also potential for GFF to further integrate climate and health into its existing programming support. This could include strengthening multi sectoral, community-level, platforms, and participation for advancing policy measures that help adapt to climate change impacts. The GFF is well positioned to provide this support given existing engagement on prioritization and strategic planning at country level. It could advance health system reforms that address the underlying causes of vulnerability to climate change impacts, including health systems strengthening. The latter could help integrate climate and health into its existing delivery for women, children, and adolescents, for example, through results-based financing, or climate related disbursement indicators.

Moreover, there is a clear value added from GFF on the financing and in helping to bridge the adaptation finance gap for health. The GFF can leverage its existing expertise from Development Policy Financing (DPF) from the World Bank as well as other funders to support this. A key area in the GFF approach could be to support countries in integrating climate into the national investment cases that the GFF finances. These are increasingly a prioritized version of the national health strategies. This integration can include helping to attract new sources of finance, as well as exploring new financing instruments (for example, as set out in the recent GCF health sector guide<sup>9</sup>) to see how GFF can support more transformational climate financing for health.

# WHAT SHOULD GFF FOCUS ON

Given its close link and hosting relationship within the World Bank, the largest climate and health financier, the GFF can help ensure representation and mainstreaming of the particular impacts of climate on women and children by working synergistically with the World Bank's financing, convening and knowledge efforts. This would also build on the ongoing work of the UN, multilaterals, bilaterals, philanthropic and other nonstate actors.

<sup>&</sup>lt;sup>9</sup> https://www.greenclimate.fund/document/sectoral-guide-health-wellbeing

In the short-term, potential areas for climate and health programming include:

# Vulnerability, risk, and adaptation assessments through to adaptation investment planning

The most immediate area overall for health and climate programming is for vulnerability, risk and adaptation assessments, health NAPs and health and climate investment plans. These provide the foundation for integrating changing weather and climate patterns into health programming and policies by identifying current risks and vulnerabilities, and the risk management options to better manage these challenges while promoting equity and resilience. There is a role for GFF to support these considerations in its focus areas, but also as highlighted above, to ensure that these broader health and climate initiatives focus on women, children and adolescents. As mentioned above, these approaches need to be undertaken in collaboration with others, notably WHO, as well as the World Bank Health Nutrition and Population (HNP) Global Practice, who is supporting countries in these areas. GFF can further provide technical assistance on delivering a longer-term and more sustainable model that would also facilitate the uptake and use of evidence on resilience strategies to inform country resource allocation, policy response, program design and other actions including through the investment case process.

# **GFF** programming

GFF has a country-driven process to identify priority investments and reforms to strengthen access to essential health services, address inequity in health systems, and attract resources to sustainably invest in the health of women, children and adolescents. There will be a number of opportunities for integrating climate change in GFF programming. This will include the mainstreaming of climate adaptation and mitigation into existing plans, but also the development of new initiatives that could address the underlying vulnerabilities of climate and health. A more detailed list of possible areas will be developed in the approach, aligned to the current 2021-2025 plan and beyond, but as illustrations, these could include but are not limited to:

- Investments in multi-sectoral, community-level, platforms for advancing health and climate issues.
- Ensuring that CPs and ICs are accounting for preparedness plans that address women/children's needs.
- Reimagining service delivery strengthening PHC and community level services to deliver climate-resilient services (including SRHR, supply chain, etc.) and enabling resilience of HSS.
- Integrating climate risks and adaptation in GFF-supported WASH programs.
- Including a greater focus on addressing gender and social determinants of climate and health outcomes, including the underlying drivers of vulnerability.
- Leveraging the alignment working group to ensure efficient use of resources in the climate and health area.
- Helping to attract investments to strengthen public financial management and data systems to ensure resources reach country platforms and support piloting innovative practices to mitigate climate impacts or support household resilience.
- Integrating climate vulnerability into the analysis that informs intervention prioritization (equity/priority populations, changing burden of disease).
- Supporting community engagement efforts and multi-sectoral platforms as part of service delivery redesign and integration of SRMNCAH-N interventions into primary healthcare, with attention to climate and health linkages.
- Evaluating the climate co-benefits of Country Investment Cases.
- Integrating climate resiliency dimensions within GFF related tools including RMET, Equity diagnostics and indicators in GFF results framework.

• Promoting the development of low-carbon health infrastructure and health systems that promote mitigation efforts directly.

# **Financing**

The GFF has already pioneered a model for development financing that shifts away from focusing solely on official development assistance to an approach that combines external support, domestic financing, and innovative sources for resource mobilization and delivery (including the private sector) in a synergistic way. The GFF can leverage this existing expertise to increase climate and health financing and diversify its sources.

# Monitoring, evaluation, and learning

Extending existing data collection and results to support monitoring of health outcomes, but also the effectiveness of adaptation and progress on enhancing resilience and responsiveness of health system. This includes the integration of climate and health outputs and outcomes in the GFF results framework, but also the potential for GFF to support the wider country result frameworks for climate and health, to ensure women, children and adolescent focus are included.

# Potential Collaboration Spotlight: GFF and WB HNP Climate and Health Program

There is potential for increased collaboration between the GFF and the World Bank's Health, Nutrition, and Population (HNP) Climate and Health Program to address crucial gaps in health system resilience, with a specific focus on women, children, and adolescents.

## This could include:

- 1. Inclusive Vulnerability and Economic Valuation Assessments: The collaboration could actively contribute to the development of Climate and Health Vulnerability Assessments and Climate and Health Economic Valuation Tools. A pivotal aspect of this effort would be to ensure a deliberate focus on women, children, and adolescents a crucial area currently recognized as a gap.
- Country-Led Implementation: Integrating the insights gained from the assessments into Investment Cases (IC) developments and influencing the design of GFF/IDA projects. Technical partners, including the World Health Organization (WHO), should play a collaborative role in the rollout process.
- 3. **Climate Resilience Integration:** Embedding climate resiliency dimensions within GFF-related tools, such as the Resource Mapping and Expenditure Tracking, equity diagnostics, and indicators in the GFF results framework. This holistic approach would ensure that climate considerations are seamlessly integrated into the GFF's tools and frameworks.
- 4. **Knowledge Sharing and Joint Actions:** Facilitate cross-country learning and joint actions through the GFF ministerial network and Community of Practice (CoP). This platform allows for shared insights, experiences, and best practices, fostering a collaborative environment to address the unique health challenges faced by women, children, and adolescents in the context of climate change.

# **Ensuring Paris Alignment and Tracking Climate Finance**

There are important issues for GFF to address in discussion with its investors and partners, and this includes developing an approach for Paris Alignment that takes account of all investors and partners (not just World Bank) and an approach for Climate Finance tracking that takes account of all investors and partners (not just MDBs).

There are potential linkages in these areas to a number of initiatives currently in implementation (as part of the 2021-2025) strategy. Embedding this effort in the alignment policy dialogue between governments and their partners will be important. An early priority is to review opportunities for piloting the above focus areas on climate and health as part of the 2021-2025 strategy, with a view to conduct pilots in a number of countries, before developing a more formal approach for the GFF to be included in the 2025-2030 strategy.

## **NEXT STEPS**

A series of questions are proposed for discussion including for co-designing of the approach with investors and partners :

## High level approach :

- What is the comparative advantage and value added of GFF in climate and health?
- Where are there opportunities for greater collaboration to avoid duplication of efforts and maximizing impact towards this agenda?

## • Focus areas and prioritisation:

- How ambitious should GFF be in programming, should the focus be on integrating adaptation to climate change into current GFF activities, or going beyond this to reduce the drivers of climate vulnerability?

## Co-development and implementation of the strategy :

- How should the IG and partners contribute to the design and implementation
- What are the key challenges and opportunities for effective implementation on climate and health efforts and what is the role of the partnership?

The proposal is to develop these initial concepts into a climate and health approach that is integrated into the GFF current strategy (2021-2025), co-developing this approach in collaboration with investors and partners through a dedicated technical group with view of presenting a first draft of the strategy at the next Investors Group meeting.