COUNTRY-POWERED INVESTMENTS FOR EVERY WOMAN, EVERY CHILD.

GFF in fragile settings





FOURTH INVESTORS GROUP MEETING

November 4, 2016, Dar es Salaam



1. Context

- 2. GFF experience to date
- 3. Options for further engagement



1. Context

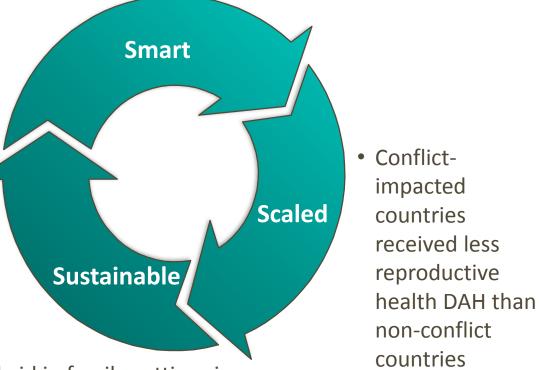
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Major needs and challenges delivering smart, scaled, and sustainable financing in fragile settings

<u>Major needs:</u>

- Fragile countries were less likely to meet MDGs than non-fragile countries
- Ongoing, acute, refugee crises in Europe, Middle East, and Africa
- The Ebola pandemic and severe impacts to health systems in West African countries
- Poverty increasingly concentrated in fragile settings (currently 21% of global poor, expected to be 50% in 2030)

- Aid volatility → inefficient, difficult for MOH to plan
- Vertical programs → generally do not strengthen broader health systems or build resilience



- Significant share of external aid in fragile settings is off-budget → difficult to sustain
- Fragility dramatically affects revenue generation

Considerable financing opportunities

New funding opportunities	Ways GFF can maximize impact	Applicable countries
A number of donors are increasingly dedicating financing for fragile settings	Investment Case can be an entry point for coordinating and leveraging complementary financing	Fragile LICs and MICs
IDA18 replenishment: resources for FCV countries will increase	Larger IDA envelopes enable countries to allocate more resources to RMNCAH	Fragile LICs and IDA- eligible MICs
World Bank Concessional Financing Facility (CFF): Provision of concessional line of credit to middle income countries hosting refugees	Countries use CFF for host communities, but are reluctant to take out a concessional line of credit for health needs of refugees, which a linked GFF grant could help address	MICs with refugee populations (e.g., Jordan, Lebanon)



2. GFF experience to date

Question is not *if* GFF will engage in fragile settings but <u>how</u>

- 24 (39%) of current 62 eligible countries are categorized as fragile states
- GFF is already operating in fragile settings: among first 16 countries:
 - 4 countries on World Bank Group list of fragile countries:
 DRC, Liberia, Myanmar, Sierra Leone
 - 3 countries with fragile areas: Cameroon, Kenya, Nigeria
 - 1 country with health system severely stressed by Ebola:
 Guinea

Current GFF engagement in fragile settings (1/2)

- Challenging given complex, rapidly-changing contexts
- Two-track approach common:
 - DRC: focus on immediate reforms to improve efficiency (PFM, strategic purchasing) while developing long-term strategy
 - Liberia: immediate work on equity among counties via new resource allocation formula while developing long-term strategy
 - Nigeria: strategic purchasing in emergency context in NE; long-term vision to work on sustainable financing of PHC
- Data-driven approach at heart of Investment Case model
- **Equity** central to process; not designed to focus specifically on fragility but has increased focus on fragile parts of countries
 - Cameroon, Kenya: conflict-affected parts prioritized
 - Nigeria: initial trust fund allocation on conflict-affected parts (poor RMNCAH indicators)
- Does not always result in prioritization of fragile regions (e.g., DRC)

Health systems strengthening

Health

financing

Data-driven

approach,

focusing on

equity

- Core part of all Investment Cases
- Entry point is generally not fragility but particularly important in fragile contexts because of limited capacity

Current GFF engagement in fragile settings (2/2)

Coordination of financiers

- Aligning financing behind priorities of Investment Case is particularly important in fragile settings (many donors, duplication)
- Primarily national but sub-national in some countries (DRC, Kenya)
- Resource mapping is key tool
- Generalized weaknesses in fragile settings mean most sectors need support
 strength of GFF model
 - Growing set of experiences:
 - Adolescent health key area of focus (Cameroon, Liberia)
 - Nutrition appearing in all countries
 - Water and sanitation (DRC)
 - Climate change and health (to address emerging root cause of fragility in Bangladesh)

Multisectoral lens

3. Options for future engagement in fragile settings

Options for future engagement in fragile settings

Maintain current approach:

- Many **core GFF approaches are highly relevant** in fragile settings (e.g., focus on equity, sustainable financing, multi-sectoral programs, context-specific approach)
- Emphasis on learning from implementation, including innovative service delivery

Employ a country-tailored fragility approach (no/minimal cost):

- Contribute to **strengthening humanitarian-development nexus** in health financing and development partner coordination
- Explicitly contribute to strengthening response capacity/resilience in fragile settings through refined Investment Case guidance and links with emergency preparedness bodies (e.g., Pandemic Emergency Facility, PEF)
- Ensure focus on RMNCAH in case of crisis, given disproportionate burden on women, infants, and children in emergencies
- Address fertility-fragility intersection (high fertility but lower survival rates among refugee populations, demographic dividend)

Possible new approaches in future as additional resources are available:

- Consider fragility-specific innovative financing (e.g., humanitarian impact bonds)
- Prioritize fragility in new country selection by adding fragility to selection criteria
- Change eligibility criteria to include countries with large, high-need displaced populations (e.g., Jordan, Lebanon, Libya, Syria)

Areas outside of GFF's comparative advantage

Interventions outside of GFF's comparative advantage	Rationale
Rapid emergency fund disbursement	GFF is not designed to release funds for emergency response
Humanitarian actor coordination	UN-OCHA already addressing (GFF may contribute specifically around humanitarian-development financing nexus)
Non-RMNCAH health needs (e.g., injuries, chronic conditions)	GFF approach has been designed to address RMNCAH health needs rather than all health aspects in fragile settings

Guidance requested of the Investors Group

- Three pronged strategy for future engagement:
 - Retain current strategies
 - Country-tailored fragility approach at no/minimal cost
 - Additional approaches in the future as resources and lessons learned become available
- Focus GFF engagement to areas within comparative advantage and away from those outside of this advantage





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