

RESPONDING TO GLOBAL HEALTH TRANSITIONS

A Call to Action

In the coming years the global health financing landscape will change dramatically. By 2028, more than 35 countries will experience a change in funding from one or more of the largest global health funders, including the Global Fund to Fight AIDS, Tuberculosis and Malaria (The Global Fund), Gavi, the Vaccine Alliance (Gavi), the World Bank's International Development Association (IDA), the Global Polio Eradication Initiative (GPEI), the United States Agency for International Development (USAID), and the U.S. President's Emergency Plan for AIDS Relief (PEPFAR).



BY 2040:

- » **27 countries** will be eligible for Gavi support, **down from 69 in 2015**²
- » **20 countries** are expected to face changes in their Global Fund financing for HIV, **18 for financing for tuberculosis (TB), and 11 for financing for malaria**³
- » **25 countries** will be eligible for support from IDA, **down from 75 in 2015**⁴

Together, these transitions could have a significant impact on health systems and access to quality health care, particularly in countries that are dependent on multiple sources of external support.

We have a unique opportunity to prepare for and inform the impending shifts in health financing. This document seeks to shed light on the nature of these transitions and the ways in which civil society can advocate for a transition process that will protect and build upon global health gains.

THE BOTTOM LINE

1. Transitions have begun, and the repercussions are already being felt across health sectors and systems
2. Greater transparency, coordination, and planning across funding mechanisms - both international and domestic - and disease areas is necessary to sustain health system capacity
3. **Now** is the time for civil society to raise awareness of these issues and advocate for a more inclusive and collaborative transition planning process

THE TRANSITION PROCESS

- Transition involves the reduction of external financing for public health initiatives and/or the transformation in official development assistance (ODA) from financial to technical support.⁵
- As ODA decreases or ceases entirely, it is expected that country ownership of health programming will increase proportionately, and that governments will self-finance the programs previously supported by donor funds.⁶
- Countries are facing transitions from many of the largest bilateral and multilateral global health funders, including USAID, PEPFAR, the Global Fund, Gavi, the World Bank's IDA, and GPEI.⁷
- Many countries are currently facing simultaneous transition of multiple sources of funding and technical support.⁸

WHAT IS DRIVING TRANSITION?

- *Economic Growth:* In many cases, transition in health financing is driven by changing economic indicators. Many donor countries and multilateral agencies determine the nature and amount of financial support based on economic figures like Gross National Income (GNI).⁹ As countries grow their economies, they may be reclassified as middle-income or high-income countries, and may become ineligible for ODA.
- *Improving Health Outcomes:* In some instances, the success of public health programs leads to a reduction or cessation of ODA. This is the case with wild poliovirus, which has so far been eliminated from all but three countries (Nigeria, Afghanistan, and Pakistan). As the era of eradication nears, GPEI will gradually cease its operations, which have supported a range of immunization and health systems.¹⁰ The Global Fund and PEPFAR also include disease burden indicators in their eligibility criteria.¹¹

- *Political Pressure:* Donors also make decisions about which countries to provide ODA for based on political preferences. To garner domestic political support for global health funding, governments often choose to support certain countries based on trade relationships or historical ties, rather than health needs. Furthermore, in recent years there has been growing call at the global level to move away from ODA, driving some countries to reduce ODAs prematurely.¹³

Simultaneous Transition: Because many donors employ similar economic eligibility criteria, many countries are facing the withdrawal of funding from multiple donors over the same time period, also known as *simultaneous transition*.¹⁴ 36 countries are expected to experience simultaneous transition over the coming decade, and 24 countries will face this in the next five years.¹⁵ This phenomenon is compounded by the general decline of foreign assistance globally and the intensified competition for ODA.

THE IMPACT OF TRANSITION

- Transition impacts every aspect of the health system. Even if the external funding is targeted toward a specific disease area, its withdrawal can have health system-wide repercussions as the government shifts programmatic and financial resources to fill the gaps. For example, GPEI funding supports staff whose portfolios extend beyond polio to other health programs.¹⁶ In South Sudan, the complete withdrawal of GPEI funding would lead to the collapse of the Expanded Programme on Immunization (EPI), jeopardizing South Sudan's already low immunization rate of 26%.¹⁷
- Rapid economic growth does not guarantee strong health systems or health service delivery. Though many countries are facing transition because they surpassed the economic eligibility criteria, they still have fragile health systems. The loss of external funding and technical support will only put greater strain on the provision of quality health services, particularly in cases where domestic resources cannot cover gaps.
- Mismanaged transition processes can lead to abrupt cessations in funding, causing wide-reaching disruptions across health systems.¹⁸ This issue is compounded when transition processes across funders are uncoordinated. Cameroon, for example, is at high fiscal risk in the face of simultaneous transitions from Gavi, GPEI, IDA and PEPFAR by 2040.¹⁹
- Simultaneous or mismanaged transitions can negatively impact health care access and health outcomes, jeopardize past health gains, and increase the risk of disease resurgence and global health emergencies.²⁰ People living in poverty and marginalized populations are particularly vulnerable to the adverse effects of transitions.

WHY DOES TRANSITION MATTER NOW?

- We have a unique opportunity to plan for transitions so that they strengthen – rather than weaken – health systems, and sustain investments in health as well as progress towards important global health goals, including the Sustainable Development Goals (SDGs) and universal health coverage (UHC).
- Unfortunately, few in the global health community are aware of the impending transitions, the impact these changes could have, and the challenges that often result when ODA is withdrawn.
- It is important to raise awareness and build knowledge of this issue **now**, so that donors, governments, non-governmental partners and civil society can collaborate on transition planning. This will protect the progress that has already been made in improving health outcomes, and minimize negative impacts on health systems and vulnerable communities.



NIGERIA: A CASE STUDY IN RISKS AND OPPORTUNITIES

» Over 35 countries will face at least one transition by 2040²¹

- Nigeria will face dramatic changes in its health financing landscape over the coming decade:
 - The country's GPEI funding will decrease by nearly 40% by 2019²²
 - A recent analysis estimated that Nigeria could face a \$141 million decrease in PEPFAR funding as PEPFAR “accelerates” efforts to achieve epidemic control in 13 countries, excluding Nigeria²³
 - Nigeria will be required to increase its Gavi co-financing obligations from \$93 million in 2018 to \$265 million by 2028²⁴
 - Based on its GNI per capita, Nigeria risks losing its IDA eligibility²⁵
 - Nigeria's economy is also growing steadily, with 2.8% growth expected by 2019, but it currently only devotes about 3.9% of its budget to health^{26 27}
- The repercussions of these transitions extend far beyond immunization, threatening Nigeria's already fragile primary health system. GPEI currently funds 23,269 staff in Nigeria who support a wide range of health services, and the source of funding for these staff post-GPEI withdrawal is currently unclear.²⁸ Multiple health services, already substantially underfunded, may be further compromised as the Nigerian government redirects funds to cover the gaps created by these transitions.
- However, this simultaneous transition in Nigeria presents a unique opportunity to bring together stakeholders from across the health and development sectors with Nigerian authorities to conduct coordinated planning, budgeting, and prioritization that will strengthen Nigeria's health system and ensure that public health gains are sustained.
- Gavi recognized the threat posed by simultaneous transition and the country's inability to transition successfully, and chose to extend Nigeria's “accelerated transition” period from 2021 to 2028, even though Nigeria had graduated from a low-income to middle-income country.²⁹



RECOMMENDATIONS: WHAT CAN CIVIL SOCIETY DO?

- A successful transition will be marked by coordinated, cross-sectoral planning among governmental and non-governmental partners.
- Civil society can play a crucial role by:
 - Getting involved in transition planning – find out what transitions are happening in your country, what the transition planning processes entail, what opportunities there may be to get involved, and take steps to ensure that you are included in transition planning processes;
 - Informing transition planning and the development of transition plans by sharing insights from the community-level and risks to vulnerable populations;
 - Raising awareness of impending transitions and the importance of effective and coordinated transition efforts;
 - Engaging a wide range of stakeholders that are impacted by transition, particularly those working in health sectors/disease areas that can contribute solutions (technical, financial, advocacy) to help countries undergoing transition;
 - Advocating for increased domestic health budgets and the prioritization of health to ensure that public health programs continue to tackle inequities;
 - Holding donors to account for responsible transitions by encouraging donor coordination, raising concerns about current transition processes, and holding governments to account for sustainable public health programming and progress both during and after transitions.



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- ²Silverman, Rachel. "Projected Health Financing Transitions: Timeline and Magnitude." Center for Global Development, July 2018. <https://www.cgdev.org/publication/projected-health-financing-transitions-timeline-and-magnitude> (p. 11)
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- ⁴Silverman, Rachel. (p. 17)
- ⁵"Progress in Peril? The Changing Landscape of Global Health Financing." (p. 6)
- ⁶"Progress in Peril? The Changing Landscape of Global Health Financing." (p. 6)
- ⁷Rivalan, Bruno. "Successful Transition and How to Measure Collaborative Action in Global Health." Institut de Relations Internationales et Strategiques, September 2016. <http://www.iris-france.org/wp-content/uploads/2016/12/Global-Health-TT-Successful-transitions-Bruno-Rivalan-sept-16.pdf>
- ⁸Silverman, Rachel. (p. 1)
- ⁹"Leaving no one behind? Considering the Impact of Donor Transition." Results, 2017. <https://www.results.org.uk/sites/default/files/files/Leaving%20no%20one%20behind%3F%20Considering%20the%20Impact%20of%20Donor%20Transition%20.pdf> (p. 2)
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- ¹²Kentish, Benjamin. "UK aid risks not helping world's poorest because ministers have prioritised boosting trade, MPs warn." The Independent. July 17, 2018. <https://www.independent.co.uk/news/uk/politics/uk-aid-spending-trade-ministers-poorest-help-international-development-a8450121.html>
- ¹³Silverman, Rachel. (p. 1)
- ¹⁴"Leaving no one behind? Considering the Impact of Donor Transition." (p. 2)
- ¹⁵"Progress in Peril? The Changing Landscape of Global Health Financing." (p. 6)
- ¹⁶"Progress in Peril? The Changing Landscape of Global Health Financing." (p. 26)
- ¹⁷"A Balancing Act: Risks and Opportunities as Polio and its Funding Disappears." Results, 2017. <https://www.results.org.uk/sites/default/files/files/A%20Balancing%20Act.pdf> (p. 27)
- ¹⁸Saxenian H, et. Al "Overcoming challenges to sustainable immunization financing: early experiences from Gavi graduating countries." National Center for Biotechnology Information, January 2014. <https://www.ncbi.nlm.nih.gov/pubmed/24510369>
- ¹⁹Silverman, Rachel. (p. 26)
- ²⁰Pearson, Mark and Mundy, Jackie. "Graduating from Global Health Programme Financing, Lessons and Future Challenges in the Asia Pacific Region," November 2015. <http://bit.ly/2dGS2MY>
- ²¹"Progress in Peril? The Changing Landscape of Global Health Financing." (p. 6)
- ²²"A Balancing Act: Risks and Opportunities as Polio and its Funding Disappears." (p. 33)
- ²³Silverman, Rachel. (p. 21)
- ²⁴"Successfully Transitioning Nigeria from Gavi Support." Gavi, the Vaccine Alliance, Report to the Board. June 2018. <https://www.gavi.org/about/governance/gavi-board/minutes/2018/6-june/minutes/05---successfully-transitioning-nigeria-from-gavi-support/> (p. 12)
- ²⁵Silverman, Rachel. (p. 17)
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- ²⁷"Appropriation Bill." Federal Government of Nigeria. (2018) https://africacheck.org/wp-content/uploads/2018/04/2018_Executive_Proposal-1.pdf
- ²⁸"A Balancing Act: Risks and Opportunities as Polio and its Funding Disappears." (p. 30)
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Join us!

Please contact **Anna Carroll** (ACarroll@unfoundation.org) at the UN Foundation,
Laura Kerr (laura.kerr@results.org.uk) at RESULTS, or
Yanira Garcia (ygarcia@action.org) at ACTION with any questions.