FACT*Sheet*

Are Nations Meeting Commitments to Fund Reproductive Health?

In 1994, at the International Conference on Population and Development (ICPD) held in Cairo, 179 nations endorsed an approach to improving reproductive health based on meeting individual needs and respecting human rights. They pledged to share the costs needed to make basic reproductive health care available to all who need it by 2015. Today, however, most donor and developing countries still fall short of paying their "fair share."

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The Promise of Cairo

- **The ICPD Programme of Action included a set of cost estimates for achieving universal access to basic reproductive health care by 2015.** Developing countries agreed to provide two-thirds of the funds needed and donor countries the remaining one-third. Together, they committed to provide at least US$18.5 billion annually by 2005 (roughly $25 billion in 2005 dollars).

The Current Reality

- **Total spending on sexual and reproductive health programs in developing countries and countries in economic transition was estimated at more than $14 billion in 2003.** This included about $3.8 billion in donor expenditures; most came from the countries themselves (known as "domestic" expenditures), with the largest share estimated to come from consumers, followed by country governments and non-governmental organizations (NGOs).

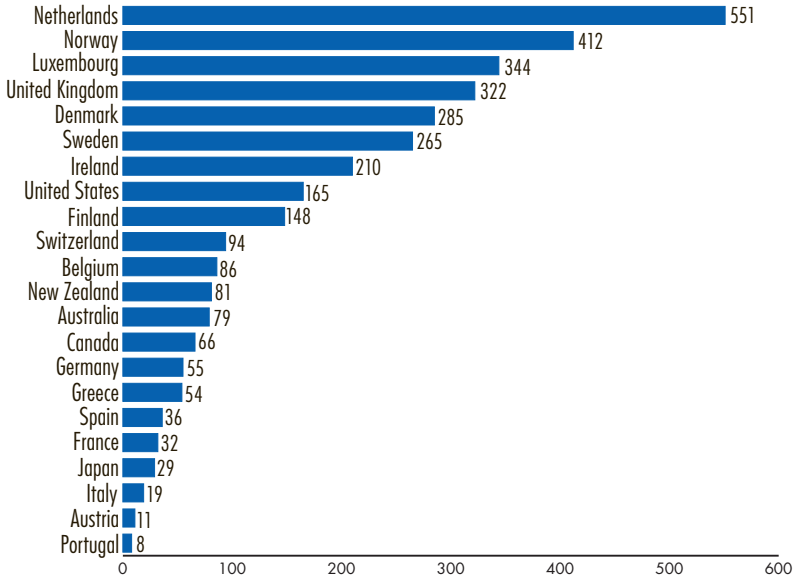
Developing Country Spending

- **Data on developing country spending are limited, due to incomplete reporting and the challenge of tracking decentralized expenditures,** among other factors. Adjusted for inflation, annual spending by developing and transition countries would need to more than double to meet ICPD commitments for 2005.
- **Per capita spending on sexual and reproductive health varies widely among developing countries.** Historically, fewer than a dozen countries – some of which now require very little external assistance – have been responsible for the bulk of spending by developing and transition countries. In contrast, sub-Saharan Africa represents less than 10 percent of domestic expenditures, and government spending per capita is inadequate to the need in almost every case. However, the ICPD Programme of Action envisioned donors playing a much larger role in this region due to its lack of financial resources, which is now exacerbated by the impact of the HIV/AIDS pandemic.

As Funding Has Increased, So Have Needs

- **Population assistance from all donor sources increased from $1.5 billion to $4.7 billion** between 1996 and 2003 – a doubling in real terms. Of that amount, donor countries contributed $3.7 billion, up from $2.3 billion the previous year. When compared with ICPD commitments, donor countries need to at least double their 2003 contributions to meet the 2005 goal, considering inflation.
- **Assessing donor progress is complicated by several factors.** One is the changing definition of "population assistance" to encompass

Donor Country Population Assistance per $US Million of GNI, 2003



Data Sources: Organization for Economic Cooperation and Development (OECD). 2004. Development Cooperation 2004 Report. Paris: OECD; and UNFPA/UNAIDS/ NIDI Resource Flows Project 2005. Available at http://www.resourceflows.org.

The international community must ensure that reproductive health and HIV/AIDS initiatives are mutually reinforcing and take full advantage of the links between the two.

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

the broader reproductive health agenda embraced at the ICPD and, in 1999, to include the full range of HIV/AIDS prevention activities, as well as treatment, care and support. Other factors include difficulties in reporting population assistance accurately and the shift by leading donors away from supporting specific projects to providing funds for an entire sector (such as health), or contributing to a government's overall budget.

Burden Sharing is Highly Unequal

- **The most generous donors of population assistance relative to their economies are the Netherlands, Norway, Luxembourg and the United Kingdom,** contributing an average of $400 per million dollars of gross national income (GNI) in 2003. The United States, in comparison, gave just $165 per million dollars of GNI. To meet the ICPD goal for 2005, however, each donor country's "fair share" contribution would be $300 per million dollars of GNI.

- **In absolute dollar terms, the largest donor countries in 2003 were the United States, the United Kingdom, the Netherlands and Germany.** The European Commission ranked between the Netherlands and Germany, contributing a record $229 million.

- **The progress required to achieve a "fair share" of the inflation-adjusted 2005 goal of $8.3 billion differs greatly among donor countries.** The United States would need to raise its 2003 population assistance by the largest dollar amount, from $1.8 billion to more than $3 billion. Portugal, Austria and Spain face the largest relative shortfalls.

The Role of Other Donors

- **The World Bank contributed loans totaling $501 million in 2003.** In addition to financing, the Bank also influences other donors, in particular through the poverty reduction strategy process. It is also a key donor of reproductive health supplies.

- **Private charitable foundations contributed more than $300 million in 2003.** Some foundations rival donor countries in the scale of their giving.

Fulfilling the Promise

- **The international community is only about halfway to meeting ICPD funding goals for 2005, despite the narrowing gap between what was pledged by donor countries and what has been spent.** The original ICPD cost estimates are now outdated, however, 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.

- **Achieving good reproductive health for all will require sound policies and adequate human, financial and other resources from donor and developing countries.** In addition to the technical capacity to do the work, greater coordination among donors, developing country governments and NGOs is key to success.

- **The international community must ensure that reproductive health and HIV/AIDS initiatives are mutually reinforcing** and take full advantage of the links between the two, as well as those between reproductive health and broader health issues.

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