Aidspan

Independent observer of the Global Fund

GLOBAL HEALTH FINANCING MECHANISMS: SYNERGY, DUPLICATION AND DISTINCTION

Spend any time in global health circles and you will quickly become acquainted with a growing anxiety over the tenuousness of financial resources. While there have been ups and downs in funding for global health, we may be in the midst of an epochal shift in the global health financing landscape. There was evidence of a downturn in funding even before the two biggest funders (the U.K. and U.S.) experienced tectonic shifts in their political outlooks in 2016, i.e. “Brexit” and the election of Donald Trump. Add that to the fact that the concept of “donor fatigue” has been around so long that there’s probably a good bit of “donor fatigue” fatigue out there by now.

The last major global downshift in funding was attached to the financial crisis of 2008. But earlier funding levels were ultimately (and fairly quickly) restored by liberal donor governments over the past decade. The current donor climate is different than a simple reaction to recession, which might be rebounded from. Rather it is one in which the resources are there, but the political interest in spending them on the healthcare of oft-maligned people in other countries appears to be waning at the highest levels. The idea that rich countries don’t owe anything to poor countries, and ideas like that, are gaining real traction and informing the decisions of policy-makers in an increasing number of donor countries.

Aidspan firmly believes that the right thing for donors to be doing right now is upping their investments in global health, including the Global Fund. But given the political convulsions of late, and the longer-term trends in health and development aid, we think it is appropriate to take some stock of the global health financing landscape and assess where there may be some vulnerabilities, particularly when the uninitiated come looking to make cuts.

In this article we look at some of the shared priorities, outputs and inputs of four major global health financing mechanisms. There may be some redundancies that need to be addressed. We encourage readers to share their reactions and reflections in the comments section. Also, stay tuned for a follow-up article reviewing some of the key distinctions and nuances among these same mechanisms.

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Among large multilateral health financing mechanisms, there are four primary players: the Global Fund, the World Bank's Global Financing Facility in Support of Every Woman Every Child (GFF), Gavi, the Vaccine Alliance (Gavi) and Unitaid. Saving lives by controlling and ending epidemics of communicable disease in developing countries is a unifying mission of all four mechanisms, with HIV, TB and malaria emerging as the top diseases they fund. And their synchronicities go beyond mission. For example, as noted in GFF's own frequently asked questions, the Global Fund and Gavi, "are working with the GFF both at the global level and in several countries to align funding and processes in order to be more effective." The four institutions share a lot, including sources and destinations of revenue, leadership (such as board members and seats) and strategic objectives. Some of the commonalities among strategic objectives, recipient countries and donors are reviewed below.

Strategic objectives

There is significant alignment among the topline strategic objectives of the mechanisms. Notably, all of them began in 2016 or 2017. (However, end dates range from 2020 [Gavi] to 2030 [GFF].) Three of the four have strategic plans with 3-4 core objectives. However, GFF operates on a business model instead and, therefore, is an outlier in this context. Three shared themes emerge when you hold the remaining three strategies up to one another: getting more health products and services to more people, strengthening overall health systems, and improved resources. Table 1 presents how the top-level strategic objectives for each mechanism line up with these themes. The parenthetical numbers indicate which objective they are in their respective mechanism's strategy.

In many ways, the four mechanisms are seeking to achieve much of the same things. The differences (which surface more in mission than strategy) are that the Global Fund only focuses on three diseases; GFF targets the health of women and children; Gavi is for any disease state with existing or in-development vaccines; and Unitaid's focus is exclusively on products and their markets. Regrettably, only the Global Fund features a human rights-oriented objective at the top level – which it should be applauded for.

Table 1 – Strategic objectives by theme

Theme	Global Fund	Gavi	Unitaid
More products to more people	Maximize impact against HIV, TB and malaria (1)	The vaccine goal: Accelerate equitable uptake and coverage of vaccines (1)	Catalyze equitable access to better health products (2)
Health systems strengthening	Build resilient and sustainable systems for health (2)	The systems goal: Increase effectiveness and efficiencies of immunization delivery as an integrated part of strengthened health systems (2)	
		The sustainability goal: Improve sustainability of national immunization programmes (3)	

Improved resources	Mobilize increased resources (4)	The market shaping goal: Shape markets for vaccines and other immunization products (4)	Create the right conditions for scale up, so better health products reach all people who need them (3)
Other	Promote and protect human rights and gender equality (3)		Promote innovation (1)

Notably, market shaping is a significant thrust of at least Gavi, Unitaid and the Global Fund. The Fund has had a specific market shaping strategy since 2007; it was updated in 2011 and 2015. In its 2015 update, the Fund specifically lays out how it partners with other entities that are also engaged in market shaping. Unitaid figures very prominently. In fact, there is specific discussion of the "harmonization" of the Global Fund and Unitaid market shaping frameworks.

There are layers to the alignment of these mechanisms' strategies and approaches, which are only touched on here. On the one hand, it is reassuring to see synergy among the mechanisms. On the other, it raises reasonable questions about duplication and redundancy of their missions.

Recipient countries

Strategic objectives are abstract, and open to interpretation. But where the money goes is observable. The alignment in strategies of the mechanisms is matched by the overlap in recipient countries. This makes sense, of course, because each mechanism's mandate is to direct resources to lower income countries, of which there is a limited universe.

We compared the 10 countries which have received the most cumulative funding from the Global Fund, Gavi, and Unitaid. GFF is again an outlier here because it has funded fifteen countries total in its short life, and does not provide funding-level data on them. Nonetheless, GFF shares many of the same recipient countries as the others.

Six countries (Democratic Republic of Congo, India, Kenya, Nigeria, Tanzania and Uganda) appear on all three top 10 lists, which means that more than half of the top recipients for each of the Fund, Gavi and Unitaid, are the same countries. Of the 15 countries that appear across the three top 10 lists, only six (Bangladesh, Ghana, Pakistan, Sudan, Zambia and Zimbabwe) appear on just one mechanism's list of top recipients. See Table 2.

Table 2 – Top-funded countries by mechanism

Country	Global Fund	Gavi	Unitaid
DR Congo			
India			
Kenya			
Nigeria			
Tanzania			
Uganda			
Ethiopia			
Malawi			
Mozambique			
Bangladesh			
Ghana			
Pakistan			
Sudan			
Zambia			

Zimbabwe			

Thus there is significant overlap among the top recipients of aid among the multilateral mechanisms. But that is almost self-evident in an aid context: Those most in need should be getting the most resources. That these moneys and much more should be going to these countries is clear. However, the rationale for having four separate mechanisms to deliver aid with similar goals is not so clear. The waters are further muddied when it is considered that these moneys tend to originate from a lot of the same places.

Donor countries

Much as the recipient countries are shared among financing mechanisms, similar donors are involved across the group. The Global Fund is the outlier here in that more than fifty countries contribute to its budget. The other mechanisms have more contained donor lists. But if we look at the top Global Fund donors, they are the lead funders of the other three mechanisms as well. For example, six of the seven total donors to Gavi are among the top eleven Global Fund donors (U.K., U.S., Norway, Sweden, the Netherlands and Canada). Canada, Norway and the U.K. are the only country donors to the GFF, and all three are major donors to at least two of the other three mechanisms.

Seven Donors are the big weight among all four mechanisms
Canada – France – the Netherlands – Norway – Sweden – United Kingdom – United States

The donor side of this equation is probably the least straightforward of them all, when thinking about duplication and redundancy. Mobilizing resources of this magnitude is a long and delicate game, and streamlining processes does not necessarily mean better outcomes for the bottom line (i.e. recipients). So it may be true that posing four discrete asks to national legislatures is the best way to maximize contributions to the efforts represented by the mechanisms. It may also not be true.

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The preceding analysis is admittedly superficial. There are innumerable political, moral and procedural imperatives at play. It will be important to dig much deeper than we have here, but what does this level of analysis tell us about what those outside of global health circles see when they look at health financing? They might see a bunch of organizations that seem to be trying to do the same thing, for the same people, with the same countries footing the bill. Where one person sees harmony, another may see duplication. Which is it?

The following questions are directed to GFO readers for reflection and comment with respect to the facts and analysis presented in this article. Your input is welcomed and may help GFO set a course on future analyses of the global health financing arena.

1. If the mechanisms have similar missions and strategic objectives, and many of the same recipients and donors, what is the rationale for separation? Might the objectives and recipients, if not the donors, be best served by consolidation of the mechanisms?

2. Does the political nature of securing contributions to the four mechanisms mean that four asks are better than one?

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