

THE GLOBAL FINANCING FACILITY

FACT SHEET | MARCH 2019

This fact sheet gives an overview of the background, purpose and governance of the Global Financing Facility.

THE ISSUE

The Global Financing Facility (GFF) came to life in 2015 to financially support the UN Secretary-General's *Every Woman Every Child Global Strategy* (2016-2030) to “end preventable maternal and child deaths and improve the health and quality of life of women, children and adolescents by 2030”. The funding gap in Reproductive, Maternal, Newborn, Child, Adolescent Health and Nutrition (RMNCAH-N) is more than USD 33 billion per year. The GFF aims to close this global financing gap by increasing the available domestic, external, and private sector financial resources that are allocated to RMNCAH-N. It is a platform intended to bring together stakeholders in RMNCAH-N from all different parts of society. It does so at international and national level.

A NEW INTERNATIONAL FUND FOR EVERY WOMAN, EVERY CHILD

At international level, the GFF is hosted by the World Bank and its multi-donor Trust Fund issues grants to eligible countries. 67 low- and lower-middle countries with high disease burden and unmet need in sexual and reproductive health and rights are eligible. Currently, 27 of these countries receive GFF funding.

GRANTS AND LOANS

GFF grants are linked to an IDA/IBRD loan for RMNCAH-N issued by the World Bank (see box). To date, every USD 1 per grant is matched by an average of USD 7 of the associated loan. This ratio of 7:1 has increased over the last years from 4:1 at the start of GFF. Grants vary between USD 10 million to USD 60 million for the period of 3 to 4 years. Criteria for determining the exact amount are population, need and gross national income. In 2018, the GFF Trust Fund was replenished with USD 1 billion. During 2019, this money will be used to roll out the GFF in 8-10 additional GFF eligible countries, while the broader aim is bringing the GFF to the total of 50 countries, accounting for over 90% of the identified financing gap in RMNCAH-N.

IBRD & IDA

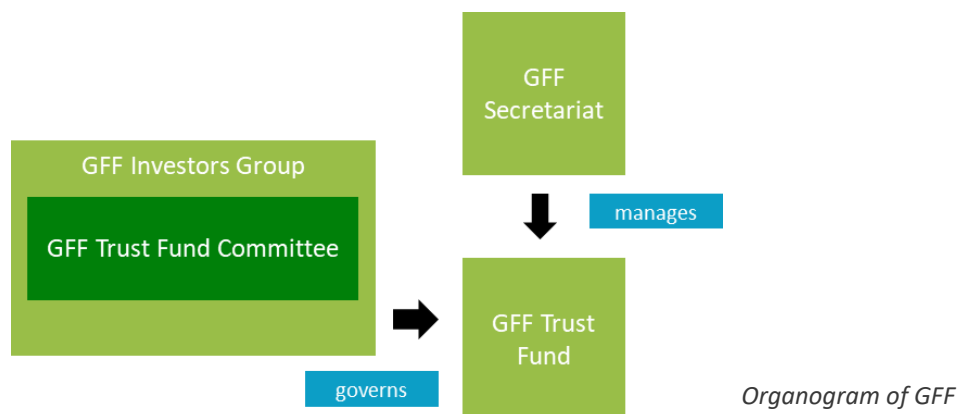
The **International Bank for Reconstruction and Development (IBRD)** and the **International Development Association (IDA)** are the lending mechanism units of the World Bank Group. The IBRD functions as the original lending arm and provides mainly middle-income countries with loans. The IDA lends money at concessional terms, i.e. with no or very low interest rates, to low- and lower-middle-income countries that cannot borrow at the capital market due to their low creditworthiness according to their relative poverty (measured by GNI per capita). In 2018, the cut-off to be eligible for IDA credit is at a GNI of USD 1.165 per year. Countries that are eligible for an IBRD loan may use GFF Trust Fund money to buy down the interest rate of the loan.

GOVERNANCE

The GFF is governed by the **GFF Trust Fund Committee**. This Committee consists of donors (countries and organizations) that contribute at least USD 30 million per year or USD 50 million per 2 years upfront to the Trust Fund, such as Canada and Norway, and the Bill and Melinda Gates Foundation. The GFF Trust Fund Committee represents a subset of the **Investors Group**, which contributes financially as indicated. The Investors Group includes representatives from donor and recipient countries, technical agencies, NGOs, the private sector and private foundations and two civil society representatives. While the Investors Group serves as an advisor to the Committee, only the latter has decision-making power, for example on which countries are eligible for GFF grants.

The **Civil Society Coordinating Group** of the GFF coordinates civil society engagement at the global level. The Partnership for Maternal, Newborn and Child Health (PMNCH) hosts this group and also co-facilitates the selection process of the two civil society representatives of the Investors Group, who will fulfill this role for two years.

At national level, the Ministry of Health establishes a **Country Platform** to gather all stakeholders including civil society, donors, and the private sector with the overarching GFF principles of inclusivity and transparency, to develop an investment case and further assist in the implementation of the GFF project.



INVESTING IN RMNCAH-N

The **Investment Case** describes the changes that a country wants to see with regard to RMNCAH-N and priority investments required to achieve these results. Its development is a country-driven process undertaken by the Country Platform, and takes into account the country's specific situation in regard to RMNCAH-N. Usually the chosen indicators are based on SDG indicators. The Investment Case should also be closely linked to the country's health financing strategy, contributing to sustainable funding of interventions identified by the Investment Case. After the start of the GFF project, the Country Platform monitors implementation and encourages all stakeholders to align their specific funding to the project, so all resources directed towards RMNCAH-N are spent most efficiently.

The World Bank's **Project Appraisal Document (PAD)** is based on the Country Platform's Investment Case. The PAD outlines the IDA/IBRD credit, the GFF Trust Fund grant, and other donors' funding that is contributed to the national GFF project. It describes how these funds will be definitely allocated to RMNCAH-N interventions, health sectors strengthening programs or even programs in non-health sectors. The GFF favors results-based financing to disburse funds to health care facilities, and in some cases also to disburse funds to sub-national government entities according to disbursement-linked indicators.

FUNDING SOURCES

The GFF focuses on **domestic resources mobilization** to raise revenue to guarantee sustainable financial resources for women's, children's and adolescents' health. Recipient countries must show the willingness to raise domestic resources in addition to the loan they take out. Next to **public resources** allocated by the government, the **private sector** is also considered a partner contributing to RMNCAH-N.



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