

A smiling woman with a colorful headwrap is holding two young children. She is wearing a striped shirt and a patterned skirt. The children are also smiling and looking upwards. The background is a green chalkboard with some faint writing.

# THE GLOBAL FINANCING FACILITY EXPANSION PLAN

TO SUPPORT 50 COUNTRIES  
IN THE PERIOD 2018–2023

GFF Secretariat



GLOBAL  
FINANCING  
FACILITY



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# EXECUTIVE SUMMARY

The purpose of this paper is to present the expansion strategy for the Global Financing Facility (the GFF) over the period 2018–23. The aim of the GFF replenishment is to raise an additional US\$2 billion for the GFF Trust Fund for 2018–23 to support the 50 countries with the highest maternal, newborn, and child mortality burdens and funding needs and to enable them to accelerate progress on universal health care (UHC) in support of the health- and nutrition-related Sustainable Development Goals (SDGs).

The proposed approach is based on an analysis by the GFF Secretariat — including feedback from a range of stakeholders — of the main lessons learned to date from implementing the GFF. This paper is not meant to present a comprehensive evaluation of the GFF model; such an evaluation will be carried out once countries have accumulated sufficient experience in implementing the GFF approach. This strategy document is part of the replenishment package and complements and draws on other documents, including the impact modeling of the GFF<sup>1</sup> and the 2017–18 Annual Report with early results and case studies, launched in July 2018.

The GFF was launched in July 2015 to accelerate progress on the Sustainable Development Goals (SDGs), with a specific focus on the health and nutrition outcomes of women, children, and adolescents. The GFF expanded support from 4 front-runner countries to 16 countries in 2017, and to a further 11 in 2018. The GFF model combines a country-driven approach with catalytic financing that helps align, prioritize, and increase the efficiency and total volume of financing for more sustainable impact at scale.

The GFF model is showing progress: of the 27 current GFF-supported countries, 16 countries are implementing GFF investment cases; 14 countries are working on health financing reforms; 10 countries have engaged the private sector through GFF support; and US\$472 million of GFF Trust Fund grants in the first countries with Board-approved projects have been linked to US\$3.4 billion of World Bank resources, a ratio of 1 to 7.2. Several countries have also demonstrated results that directly affect the lives of women, children, and adolescents. These early results would be substantially amplified by the estimated impact of this expansion plan: an additional US\$2 billion in GFF Trust fund grants would enable 50 countries — the

initial 27 countries plus 23 additional countries — to catalyze up to US\$75 billion in additional resources, which would facilitate the expanded delivery of life-saving health interventions to reach coverage rates of at least 70 percent for most priority reproductive, maternal, newborn, child, and adolescent health and nutrition (RMNCAH-N) interventions, saving up to 34 million lives by 2030.<sup>1</sup> These estimates confirm that financing the expansion plan by investing in the GFF Trust Fund would yield high returns on investment.

The GFF launched a replenishment process in September 2017, with the aim of raising an additional US\$2 billion for the GFF Trust Fund for 2018–23. The replenishment offers an opportunity to fully finance the GFF model in the initial 27 countries and expand GFF support to 23 additional countries with high mortality burdens and financing needs, many of which are fragile countries. It will ensure that the majority of low- and lower-middle-income countries are set on track to accelerate progress on the SDGs for women, child, and adolescent health and nutrition, contributing to the elimination of preventable maternal, newborn, and child deaths by 2030. Expanding and scaling up now is imperative to bending the curve on mortality reduction. It will enable the GFF to meet the strong country demand.

The GFF is a key financing mechanism for the Human Capital Project recently launched by the World Bank; an ambitious effort to accelerate scaled and smarter investments in people around the world.<sup>2</sup> The GFF expansion plan will front-load resources that are urgently needed to support countries to accelerate progress on universal health coverage over the next five years and make progress on their SDG targets, and will ensure the GFF can expand support to additional fragile countries, building on the GFF track record and early results achieved in areas such as the Democratic Republic of Congo and North-East Nigeria.

The GFF is a time-bound initiative that aims to create the conditions for sustainable financing and scale-up of high-priority RMNCAH-N interventions. The GFF has an exit strategy from the start. It aims to build capacity to bring about systemic changes in countries that can either be sustained on their own or with much reduced levels of financial investment. The GFF model operates through four phases: defining and providing proof of concept of the model (2015–17), consolidating and expanding the model (2017–18), further expansion and scale

<sup>1</sup> Chou, Bubb-Humfries, Sanders et al. Pushing the envelope through the Global Financing Facility: potential impact of mobilizing additional support to scale-up life-saving interventions for women, children and adolescents in 50 high-burden countries. *BMJ Global Health* 2018, <https://gh.bmj.com/content/3/5/e001126>

<sup>2</sup> The Human Capital Project is a global initiative at the World Bank to accelerate more and better investments in people. As part of this work, the World Bank is developing a Human Capital Index to assess countries' investment in the human capital of the next generation.

up (2018–23, the period covered by this paper), and graduation and mainstreaming (2023–30). The success of the GFF strategy is dependent on meeting the replenishment milestones and mobilizing the necessary GFF Trust Fund resources.

The core of the GFF business model is working well and delivering results. Countries are improving the prioritization and delivery of a comprehensive package of RMNCAH-N services. The model, which is country-led, has also resulted in increases in the efficiency and volume of financing for the health and nutrition of women, children, and adolescents by (i) mobilizing domestic resources, (ii) linking GFF Trust Fund resources to US\$3.4 billion in International Development Association (IDA)/International Bank for Reconstruction and Development (IBRD) resources, (iii) aligning significant in-country complementary financing, and (iv) crowding in private sector resources, both in countries and globally through innovative financing mechanisms. Initial results are also achieved in fragile and conflict-affected countries.

The initial period, 2015–17, provided valuable lessons and identified areas for improvement. This strategy paper outlines the changes that the GFF is undertaking to adjust some aspects of the GFF model based on country experiences and partner feedback. Going forward, the GFF model will be refined in the following ways, with more:

- ① Use of innovative financing mechanisms,
- ② Support of the universal health coverage (UHC) agenda,
- ③ Deliberate multisector engagement to maximize the health benefits of all key sectors,
- ④ Engagement of the GFF partnership at national and global levels,
- ⑤ Focus on domestic resource mobilization,
- ⑥ Adjustment of the country-level theory of change to country characteristics, and
- ⑦ Systematic implementation and monitoring at the country level.

The expansion pattern will be one in which the initial 16 GFF countries diversify their approach to other sectors before gradually phasing out and in which new countries that join the GFF take a more multisectoral approach from the start — addressing key socioeconomic factors and gender inequities that drive health and nutrition outcomes of women, children, and adolescents. Given that countries are at different stages of economic development and that many will continue to face fragility and shocks, the GFF theory of

change will continue to be adjusted to different contexts, with varied length and intensity of GFF support.

### The following stages are envisaged:

- **Initial 16 countries.** Provide as needed, follow-up grants in the sectors where the GFF is already invested and provide targeted grants to other core sectors (e.g., governance, social protection, education) to maximize the contributions of relevant sectors to reach the required health and nutrition results at scale. Considerable opportunities exist over the next 12–24 months for this type of expansion and gap filling, especially with the focus on human capital, to take initial results from the first three years to scale.
- **11 countries developing Investment Cases.** In many of these countries, it is anticipated that GFF cofinancing would be provided to more sectors than just the health sector from the start. Additional resources for subsequent support, which would be covered through the replenishment, are required to provide a second grant and, in a few cases, a third grant.
- **23 additional countries.** New countries will be added to the GFF portfolio at the following pace:
  - by March 2019: 11 new countries;
  - by March 2020: 12 new countries.

An independent evaluation of the GFF model is proposed to take place in 2021 as a mid-term review during the 2018–23 replenishment period, which will give enough time for the initial 27 countries to have produced results under the GFF approach and will provide sufficient time to continue to learn and course correct as needed before the end of 2023.

To ensure all 50 countries receive adequate support, the GFF Secretariat will continue to build on the existing business model with its close operational link with the World Bank and an increased effort to leverage the capacity of partners in GFF countries. In addition, each GFF country has recruited a GFF Liaison Officer to support the government to lead the GFF country platform. To be fit for purpose for the expansion phase, the GFF Secretariat has been strengthened with additional staff over the past year and additional growth is planned, which includes several secondments from key GFF partners. In addition, the World Bank is increasing its presence in GFF-supported countries by ensuring effective staffing in country offices. The implementation guidelines will strengthen the engagement of technical partners in the GFF country platform.

# GLOSSARY

**Global Financing Facility (GFF)** — The GFF is the partnership that harnesses the experiences and financial resources of a wide array of partners that are committed to improving reproductive, maternal, newborn, child, and adolescent health and nutrition (RMNCAH-N). Most importantly, this partnership involves governments assuming leadership roles in setting the policy agenda and formulating technically sound and financially appropriate RMNCAH-N strategies and plans. These are turned into rigorous, evidence-based, high-impact investment cases that are funded by a range of partners and domestic resources. The GFF acts as a catalyst to crowd in funding by bringing together partners (domestic and international sources including the private sector) and working with the Ministers of Finance and partners on health finance reforms. The GFF partnership is led by an Executive Director.

**GFF Trust Fund** — The GFF Trust Fund is a monetary arm of the GFF that provides part of the financing to countries for their investment case, linked to IDA- or IBRD-funded projects. A major advantage of the multisector GFF Trust Fund's operational link to the World Bank Group is that it mobilizes the expertise of the entire World Bank Group, including multiple key sectors (education, social protection, governance, gender), the International Finance Corporation (IFC — the World Bank Group's private sector arm), and the Treasury (for issuances of sustainable development bonds that the GFF can help countries access). It builds on the experience, learning, and management capacity of the Health Results Innovation Trust Fund by providing results-focused financing to support countries to achieve RMNCAH-N results.

**GFF Secretariat** — The GFF Secretariat is the unit hosted at the World Bank that provides support for the GFF process at the country and global levels and manages the GFF Trust Fund. The GFF Secretariat provides support to the two governance bodies of the GFF: the Investors Group and the Trust Fund Committee. The GFF Secretariat is managed by the Practice Manager, and includes GFF Focal Points, technical specialists (e.g., health financing; monitoring and evaluation; sexual and reproductive health and rights; nutrition; and maternal, newborn, and child health), and communications and advocacy specialists. The GFF Secretariat is based in Washington, DC at the World Bank Headquarters, which enables a close liaison with the World Bank staff who oversee the IDA/IBRD investments to which the GFF Trust Fund grants are linked.

**Investment Case (IC)** — The investment case defines a prioritized set of high-impact interventions required to achieve results for women, children, and adolescent health and nutrition and describes the changes that a country wants regarding RMNCAH-N. It is an evidence-based tool tailored to address what is most important for achievement of results for women, children, and adolescents in each national context, applying a gender and equity lens. It is not a comprehensive description of all the RMNCAH-N activities in the country. Instead, it presents a compelling case for how strengthening health systems and focusing on a limited number of neglected priorities put the country on the path to improve the health and nutrition outcomes of women, children, and adolescents, accelerating progress on universal health coverage (UHC), and contributing to the achievement of the Sustainable Development Goals. It focuses on “best-buys”: the evidence-based, high-impact RMNCAH-N interventions required to reduce morbidity and mortality in an equitable manner while progressively realizing the rights and entitlements of women, children, and adolescents. Investment cases identify not only priority interventions to achieve agreed results, but also the main health systems bottlenecks that need to be addressed to deliver these interventions. The objective of the investment case process is to shape how resources are directed: to ensure that available financing is targeted at a set of priority investments that will benefit the women, children, and adolescents most in need and to accelerate progress toward UHC. The investment case is developed and approved through a participatory in-country process that is driven by national governments and coordinated through a national platform; it is not a proposal to be submitted to the GFF Investors Group or Trust Fund Committee for approval. It should be based on the context of a country and what is most critical and feasible to achieve sustainable RMNCAH-N results at scale, considering what is already in place in the country (such as building on the existing national health sector strategy or plan). Therefore, the form and content of the investment case varies considerably among GFF-supported countries.

# ABBREVIATIONS

<b>DRM</b>	Domestic Resource Mobilization
<b>GFF</b>	Global Financing Facility
<b>IBRD</b>	International Bank for Reconstruction and Development
<b>IC</b>	Investment Case
<b>IDA</b>	International Development Association
<b>IFC</b>	International Finance Corporation
<b>RMNCAH-N</b>	Reproductive, Maternal, Newborn, Child, and Adolescent Health and Nutrition
<b>SDGs</b>	Sustainable Development Goals
<b>UHC</b>	Universal Health Coverage



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# WHY INVEST IN WOMEN AND CHILDREN?

Every year, more than 5 million women, children, and adolescents die from preventable conditions. Many countries with high fertility and rapid population growth have the potential to achieve a demographic dividend by making critical investments in human capital — and improving the reproductive, maternal, and child health outcomes is critical to this. The GFF country eligibility criteria and the allocation formula used to determine the size of the GFF Trust Fund grant aim to support those countries where most of these gains can be made. The GFF process helps to guide these countries in making decisions on good investments and “grow their way” out of the pitfalls of continued high fertility.

Women in households in low-income countries with high fertility rates will spend most of their prime working-age years pregnant and raising young children. Most of these households' income is spent on basic consumption, leaving little to invest in health and education — the foundation for human capital formation. This under-investment in health means that mothers-to-be will be less likely to get adequate maternal nutrition or receive prenatal care and are more likely to forego childbirth with a skilled health care worker. These circumstances lead to mortality and poor health and nutrition outcomes, which undermines the productive potential for these women and, eventually, their children.

No country has experienced a fertility transition without first improving child survival. Maternal deaths also reduce the chances of infant and child survival. Healthy children start with healthy mothers, who are empowered to start families when they are physically and emotionally ready. Adolescents are twice as likely to die due to pregnancy-related complications, and children born to adolescents are also more likely to have low birth weight, ill health, stunting, and other poor nutritional outcomes. Child marriage is a key determinant for early childbearing and imposes its own costs on human capital.

Providing women with modern methods of contraception is one of the highest impact public health interventions. Not only does it reduce maternal and child mortality by reducing unintended pregnancy and unsafe abortion, but it can also empower families and lead to increases in household wealth.

These benefits and improvements will not happen without a significant increase in investment in health and education; it is important that the burden of that investment not fall on poor households. In low-income countries, more than 44 percent of health expenditure is financed by out-of-pocket payments.<sup>3</sup>



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# THE GFF TODAY

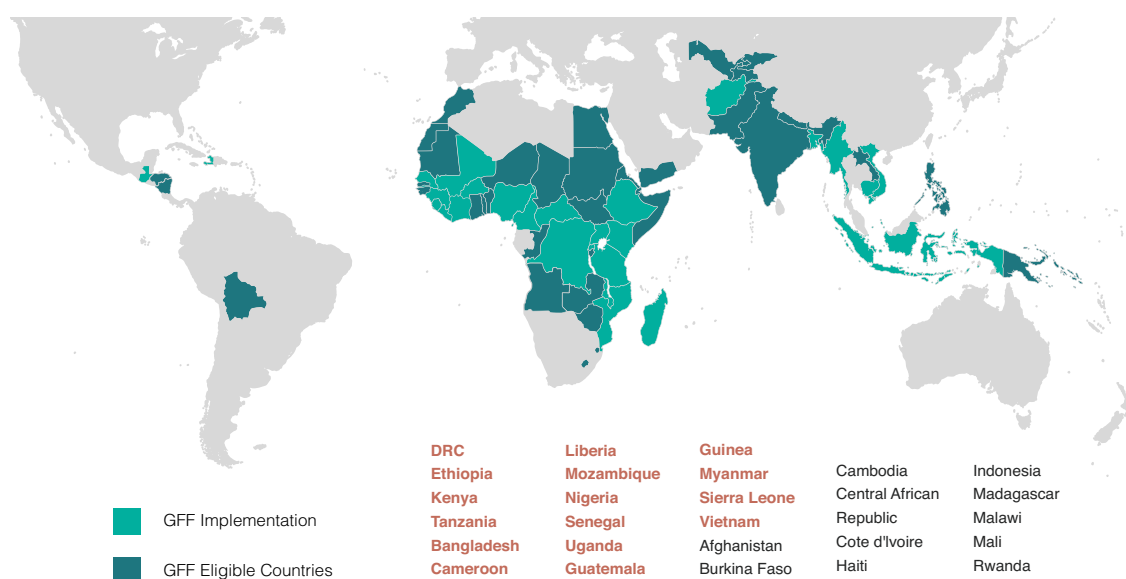
The Global Financing Facility (GFF) is a partnership model that operates at both global and country levels, as outlined in this paper. The GFF engages in several ongoing global processes to help clarify the role of global health and financing agencies in the global health architecture. The GFF is actively engaged in the SDG3 Action Plan Working Group. In addition, the GFF is working together with Gavi and the Global Fund to clarify the comparative advantages of each of these global financing mechanisms, propose areas for improved coherence across the three agencies, identify specific issues for collaboration, and implement this coordinated approach in a set of focus countries where all three are engaging.

The GFF was established in 2015 and has progressively grown over the past three years to include 27 countries. The 4 “front-runner” countries (the Democratic Republic of Congo, Ethiopia, Kenya, and Tanzania) played a critical role in co-creating the operational aspects of the GFF model. An additional 12 countries joined in 2016–17 and generated more lessons about the GFF model, for example, on country coordination and how the GFF approach can add value in lower-middle-income countries. These initial 16 countries are at varying stages of implementing their investment cases. In 2017–18, an additional 11 countries joined, forming a new cohort of countries

that are currently developing investment cases. The new group of countries is being supported in a more structured manner, benefiting from several of the lessons learned from the initial 16 countries that are also reflected in this expansion plan.

The contributions to the GFF Trust Fund as of September 1, 2018, total US\$801.6 million, of which US\$427 million (linked to US\$3.4 billion in IDA and IBRD resources) is approved and under implementation. The remaining country funding has been allocated and will be approved by spring 2019. The GFF currently supports countries in Sub-Saharan Africa, South and South-East Asia, and Latin America and the Caribbean (Figure 1). These include 17 low-income countries and 10 lower-middle-income countries. One third of the countries in the portfolio (10 countries) are fragile states. Almost all the countries are eligible to receive only funds from the IDA. Three countries (Cameroon, Kenya, and Nigeria) are eligible to receive both IDA and IBRD resources<sup>4</sup> and three (Guatemala, Indonesia, and Vietnam) are eligible to access only IBRD resources. The lessons learned of implementing the GFF approach in this range of countries are discussed in this paper. In Figure 1, the initial 16 countries that are implementing their investment cases are shown in red, the 11 countries that have recently joined the GFF are shown in black.

FIGURE 1. COUNTRIES THAT RECEIVE GFF SUPPORT



<sup>4</sup> The International Development Association (IDA) is an international financial institution that is part of the World Bank Group and offers concessional loans and grants to the world's poorest developing countries. IDA is financed by donor countries through replenishments that take place every three years. The International Bank for Reconstruction and Development (IBRD) is also an international financial institution within the World Bank Group, but it focuses its loans to countries closer to the upper-middle-income threshold and/or those that have high credit worthiness.

The GFF model is evolving in four phases (Figure 2). The in-country experience gained from the initial 16 countries in phase 1 has provided proof of concept and formed the basis for defining and further refining the operational aspects of the GFF model and serve as the backbone of this expansion plan. The GFF is currently in its second phase, consolidating these lessons learned and expanding to an additional 11 countries in a more structured way. This expansion to an additional 11 countries was possible because of an early contribution from the Bill & Melinda Gates Foundation to the replenishment of the GFF Trust Fund in September 2017, but these countries have not yet received the full grant amount needed to implement the agenda.

The expansion phase supports the current 27 countries in the GFF portfolio and prepares for the transition to the next phase to further expand and scale up in a total of 50 countries. This further scale-up will include follow-up grants to boost support to implementation in the initial 16 countries.

The GFF's graduation strategy is to phase out its support to countries over time as governments take on the mainstreaming of its activities — including the sustainable financing of its priorities for impact at scale — through domestic resource allocation, national budgeting, and crowding in of private sector resources.

FIGURE 2. PHASES OF THE GFF



## UNIQUE ASPECTS OF THE GFF MODEL

The GFF model at country level includes the implementation of a set of practices that support the government to bring all key stakeholders together in one country platform and the catalytic use of GFF Trust Fund resources to crowd in additional sources for scaled and sustainable financing. With improved health and nutrition outcomes for women, children, and adolescents as the ultimate objective — including the elimination of preventable maternal, newborn, and child deaths by 2030 — the GFF model aims to (i) strengthen the government to be in the lead, with sufficient and sustainable capacity to continue the prioritized planning process that is contained in the investment case and to use integrated data systems to monitor implementation; (ii) set the country on an upward trajectory for the mobilization of domestic public resources for health, and to use these resources efficiently; (iii) support the country in creating an enabling environment and harness the resources and capacity of the private sector and value add of civil society

to achieve health results; and (iv) help align external financiers with the government-led plan. The remainder of this section summarizes the main aspects of the GFF model.

**GFF Trust Fund resources linked to IDA/IBRD.** The GFF Trust Fund provides grants to countries linked to their IDA/IBRD allocations.<sup>5</sup> These grants — increasingly made in the context of the World Bank Human Capital Project<sup>6</sup> — are used to catalyze multiple sources toward specific health sector goals. The business model to date has been mainly one of linking GFF Trust Fund resources to IDA/IBRD health sector operations, with some exceptions (for example, education in Bangladesh, social protection in Rwanda, social development in Indonesia). The flexible grant funding is also used for technical assistance to support the design of the investment case and the health financing agenda. By housing the GFF Secretariat within the World Bank, it can remain small and ben-

<sup>5</sup> The GFF grants to countries are managed and disbursed using the same systems and following the same rules as IDA and IBRD. The funds are managed by the World Bank and disbursed to governments on budget.

<sup>6</sup> The Human Capital Project is a global initiative at the World Bank to accelerate more and better investments in people. As part of this work, the World Bank is developing a Human Capital Index. It will quantify the contribution of health and education to the productivity and income levels of the next generation. Countries can use it to assess how much income they are foregoing because of human capital gaps and how much faster they can turn these losses into gains if they act now.

efit from World Bank expertise, operational engagement, as well as fiduciary and social safeguards systems, and from the links to the World Bank's dialogue on macroeconomic context and health financing, with the Ministries of Finance being the counterpart of World Bank operations. The GFF private sector engagement also benefits from partnering with the International Finance Corporation (IFC) — the private sector arm of the World Bank Group — and with the World Bank Treasury to crowd in private capital. The GFF Trust Fund is structured so that there is only one process for GFF-IDA/IBRD project preparation and implementation, which benefits the government and reduces transaction costs.

### **Investment cases for reproductive, maternal, newborn, child, and adolescent health and nutrition (RMNCAH-N).**

The GFF engagement in each country revolves around an investment case (IC), which focuses the attention of key stakeholders on key national and subnational priorities and plans, aligning their financial and technical resources and providing a framework for subsequent joint monitoring of results. In line with the initial flexibility of the GFF implementation, these investment cases have taken different forms in each of the 16 initial GFF countries, specifically tailored to the country context.

**Government in the lead.** The investment case is prepared through an inclusive process under the leadership of the sectoral Ministry and it is approved by the government. In the new group of GFF countries — and progressively in the initial countries — there is increasing involvement from Ministries of Finance, linking the programmatic priorities with the health financing reform priorities. The country platform is chaired by the government and brings together all stakeholders (including the UN and other multilateral and bilateral agencies, civil society, and the private sector) to agree on priorities and alignment and to monitor implementation progress of the investment case.

**Catalytic resource mobilization.** An added value of the GFF is the financing of the investment case priorities by catalyzing multiple sources of financing, using GFF Trust Fund resources to increase the efficiency of existing resources and to crowd in four types of financing for the priorities identified in the investment case:

- Mobilizing domestic resources
- Linking GFF Trust Funds with IDA and IBRD
- Aligning complementary external financing<sup>7</sup>
- Crowding in global and local private sector resources and innovative financing

**Health financing.** The GFF supports countries to identify and use a core set of health financing indicators that measure the volume of public domestic resources for health and nutrition and the way in which resources are allocated and spent. The process, which is similar to the investment case — but often includes a wider group of stakeholders and has a longer time horizon — supports governments and partners in developing a financing plan. This plan serves to increase the envelope for health and other social sectors and to achieve an allocation within the health sector for high impact interventions that maximizes the impact on women, children, and adolescent health and nutrition outcomes. While the initial focus has been on developing comprehensive health financing strategies, the approach has evolved to become more pragmatic and implementation-focused so that countries can also access support for the implementation of specific reforms.

**Results-based approaches.** The GFF places a strong focus on linking financing to the results, both in the disbursements of GFF Trust Fund resources (through disbursement linked indicators) and in the coverage and quality of interventions supported in the IC (e.g., performance-based financing and contracting). These approaches, which can be applied at various levels (central government, decentralized levels, community health systems and facilities), not only shift the focus from inputs to outcomes, they also enable the government to contract and manage performance of a range of service providers, including the private sector.

**Data use.** The investment case prioritization process is evidence-based using available data instruments and sources, including gender and equity analyses. The members of the country platform come together on a regular basis to monitor and review progress, learn and course correct (see country examples in the GFF Annual Report 2017–18), triangulating by integrating data from several sources. An emphasis is given to strengthening and using national data systems and to creating a culture of data use — including for accountability for results — at national and subnational levels. The level of effort required to develop such a culture and systems capacity to use data to manage these health sector investments in a data-driven manner was underestimated in the initial GFF country engagements.

The GFF Secretariat is therefore increasing its support to countries in that area, drawing on partners with relevant expertise in countries and globally, such as the RMNCAH-N

<sup>7</sup> For example, in Mozambique, the investment case has rallied several financiers — including Canada, the Netherlands, the United Kingdom, USAID, and the donors to the PROSAUDE (Health Common Fund) — around a common plan. Similarly, in the Democratic Republic of Congo, donors and partners such as Gavi, the Global Fund, UNFPA, UNICEF, USAID, and others have aligned to the GFF investment case.



Countdown to 2030, Bill & Melinda Gates Foundation, Rockefeller Foundation, Health Data Collaborative, and DIHs2. Country profiles, available in the GFF Annual Report, provide a snapshot of the status of investment case process and outcome measures, with data profiles for the 16 initial countries (discussed below).

**Private sector and Innovative Financing.** The GFF aims to support countries by increasingly crowding in private sector resources to finance and deliver on Investment Case priorities. On the financing side, the GFF supports the design and

implementation of innovative financing mechanisms (e.g., loan buy-downs, impact bonds, blended finance and other innovative financing products together with IFC and the World Bank Treasury). The private sector is also an important source of systems and delivery innovations (e.g., supply chain management) and has significant capacity and expertise across several health system areas (e.g., demand creation, front-line service delivery, etc.). To enable the private sector to participate more effectively in the national health system, the GFF supports the creation of the right enabling environment through national policy and regulatory actions.

## INITIAL RESULTS

The GFF's success is determined by countries achieving results for the women, children, and adolescents who are hardest to reach, and whether results can be achieved at scale. The 2017–18 Annual Report clearly demonstrates that the GFF partnership has begun to deliver results in terms of increased coverage of RMNCAH-N quality services in the first 16 countries. The GFF aims to support countries to achieve these results by recalibrating incentives and strengthening health systems so that countries can continuously and sustainably expand and measure the benefits of their health system.

The first three years of implementation of the GFF model focused on introducing the approach to countries, the design phase of the investment case, and moving into planning and implementation, developing the results framework. At an aggregate level, the following building blocks are in place in the first 16 countries:

- **16 countries** are well on their way to transforming how they invest in and finance the health and nutrition of women, children, and adolescents through their investment cases.
- **14 countries** are working on health financing reforms.
- **16 countries** have World Bank projects cofinanced by the GFF that are Board approved; 7 have projects pending Board approval in the current fiscal year.
- **10 countries** engage the private sector.
- **link GFF and IDA/IBRD financing:** US\$472 million of GFF Trust Fund resources have been linked to US\$3.4 billion IDA/IBRD financing for health and nutrition of women, children, and adolescents — translating into a 1 to 7.2 ratio of GFF to IDA/IBRD as of 30 June

2018. The GFF directly links GFF Trust Fund grants in all GFF-supported countries to substantially higher amounts of IDA/IBRD funding than initially expected. With a historically large IDA replenishment (US\$75 billion, 2018–20), a vast window of opportunity has opened to front-load GFF Trust Fund investments and thereby close the financing gap and accelerate progress on UHC and the SDGs.

**The Democratic Republic of Congo, Tanzania, Cameroon, and Nigeria are early examples of what the GFF approach can achieve, both in outcomes and strengthened systems:**

- The cornerstone of the IC of the **Democratic Republic of Congo** is the scale-up of an essential package of high-impact RMNCAH-N services, focusing on 14 priority provinces. The introduction of strategic purchasing — providing financial incentives for increasing quantity and quality of services included in the package — has been an important health financing reform to deliver on this priority. From January to December 2017, the number of children vaccinated with BCG vaccine increased by 35 percent, the number of assisted deliveries by 14 percent, and the number of antenatal consultations by 6 percent in the priority provinces. Being supported by various donors, the strategic purchasing also reduces fragmentation and improves efficiencies of external resources. To further strengthen alignment of domestic and external resources around the delivery of the essential package, the government has been using a mechanism called “contrat unique.” This contract between the Ministry of Health, health care providers, and development partners at the pro-

vincial level aims to align all financial resources to support a single, integrated provincial health action plan. Scaling up this mechanism was made a key priority of the IC. Disbursement on financial commitments from donors and the central level government have improved, exceeding 50 percent of allocations being utilized in several of the provinces that implemented this contract. These initial achievements build confidence in the approach the government has taken and help the Ministry of Health to advocate for increasing domestic financing toward the scale-up of the essential package of services. Partners are currently collaborating on analytical work to support the government in identifying opportunities to increase fiscal space for health.

- **Tanzania** has managed to reduce substantially the infant and under-five mortality and stunting rates in recent years, but maternal mortality remains persistently high. The investment case therefore prioritizes a reduction in maternal mortality through increased access to quality obstetric and newborn care. Realizing that reducing maternal mortality indeed requires a strong focus on high-quality care, Tanzania's Ministry of Health is implementing a star rating system to evaluate facilities' structural — and increasingly service delivery-related — quality. Donors have aligned funding to the IC priorities through a pooled basket fund and through pooled funding, which the World Bank and the GFF helped mobilize, in support of the Primary Health Care for Results project that supports the implementation of the IC. A recent review reveals improvements in coverage of key service delivery interventions, such as institutional deliveries and uptake of four antenatal care visits. There have also been substantial improvements in the facilities' quality assessments. It is too early to tell whether these improvements translate into reduced maternal mortality and continued attention is needed to ensure that the care that is being delivered is of improved quality. District-level scorecards are used to monitor the IC results and allow for continuous adjustments, but also serve as an important tool for holding regional level authorities accountable for RMNCAH-N results. As Tanzania's economy — and hence the domestic resource envelope for health — is predicted to grow quite rapidly, the Health Financing Strategy that is being developed with support from the GFF will be an important tool to ensure sustainable domestic financing and ensure that additional resources are going to those areas and services where they can have the highest impact.

- Despite its lower-middle-income status, **Cameroon** still suffers from poor basic health outcomes and widespread inequalities. The focus of the investment case is therefore on improving allocative efficiency: rebalancing public health expenditure between the tertiary and the primary/secondary care levels and concentrating resources on the four low-resource regions of the country. The government used the IC to inform its 2018 budget, which, despite an overall decline because of a fiscal consolidation, included a substantial increase in the allocation to the priority regions. The GFF process also led to the inclusion of a trigger that commits the government to increase the health budget allocation to primary and secondary care from a baseline of 8 percent of the total in 2017 to 20 percent by 2020. To ensure that these resources effectively lead to an increased uptake of essential services, Cameroon has been expanding performance-based contracting in health facilities combined with a voucher scheme to stimulate demand. Data from the Northern regions suggest that this approach can increase the deliveries with skilled birth attendants by as much as 71 percent. Also, more innovative financing approaches such as a Development Impact Bond are being used to roll out Kangaroo Mother Care — a very cost-effective intervention that is estimated to save and care for the lives of approximately 4,000 low-birth weight and preterm babies.
- **Nigeria**, one of the richest among the first 16 GFF countries, has large natural and human resources. Yet the government has struggled to translate economic growth into more public revenues and, as a result, public spending on health is among the lowest in the world and key health outcomes are not at par with the country's level of development. The Basic Health Care Provision Fund (BHCPF) was mandated by the National Health Act of 2014 to provide an additional source of financing so that all Nigerians can access a basic minimum package of health services. A GFF Trust-Funded pilot in three states that demonstrates how the BHCPF can be implemented to effectively improve coverage has convinced Nigerian decision makers to allocate substantial domestic resources to the BHCPF (1 percent of its consolidated government revenue, which translates into approximately US\$150 million annually). While the resource envelope for the BHCPF would currently be inadequate to guarantee full coverage of the basic minimum package of health services, a gradual expansion of the BHCPF (beginning with the rural population) is within reach, especially as the economy recovers and reforms to increase and diversify tax revenue are implemented.

# EXPANSION OF THE GFF:

## SIGNIFICANT RESULTS POSSIBLE

A recent report<sup>8</sup> estimated that an additional US\$2 billion in GFF Trust Funds to be mobilized for the expansion of the GFF to support a total of 50 countries (in addition to the US\$600 million already committed) would enable the GFF partnership to catalyze US\$50–75 billion in additional funds, expand delivery of life-saving health interventions in high-burden countries, and reach coverage rates of at least 70 percent for most priority interventions by 2030. This would contribute to averting up to 35 million deaths among mothers, newborn, children, and preventable stillbirths.

In this study, each funding source was projected forward to 2030 by applying assumptions based on analysis of data in the first 16 countries that reflect how the GFF model can be catalytic and influence the following:

- The share of domestic government expenditure that is allocated to health,
- The share of health budgets allocated to priority RMNCAH-N interventions,
- The scale of external resources aligned around country investment cases (of which a proportion is assumed to be incremental),
- The allocative and technical efficiency gains, and
- Reduction in out of pocket payments and their relationship to domestic resources (some reductions in out of pocket payments will be absorbed by domestic resource growth).

According to the analysis, the greater share of additional funds would come from domestic sources. The full effect of raising private capital (e.g., sustainable development bonds) that countries can access through the GFF was not included, so the estimates may err on the conservative side. Increases in public and donor-led funding for RMNCAH-N service provision would also be expected to reduce the burden of out-of-pocket payments by up to US\$5.8 billion.

Early results from the GFF over its first three years, and these projected results, provide a compelling justification for the expansion of the GFF to an additional 23 countries. Further reasons why the GFF should expand over the period 2018–23 are listed below.



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# WHY EXPAND NOW?

Despite the relatively recent creation of the GFF, expanding now to more countries is crucial for the following reasons:

- **SDG targets.** Several recent reports have shown that, at current trends, countries will fall far short of the SDG3 targets for the elimination of preventable deaths of mothers, newborns, and children and for the health and wellbeing of women, children, and adolescents. With only just over 11 years until 2030, the time is now to invest in the GFF Trust Fund to support countries to accelerate progress on UHC, bend the curve on the rate of mortality reduction, and set countries on track to achieve the SDG targets and to more sustainable models of financing. The GFF partnership at the global and country levels includes all key multilateral agencies and financiers and provides a country-led platform to align, prioritize, collaborate, and accelerate progress across agencies and upcoming replenishments of partners.
- **Catalytic, front-loaded model.** The GFF model requires that GFF Trust Fund resources be front-loaded to catalyze multiple sources of financing: domestic resources, aligned bilateral financing, and linked IDA/IBRD, and private financing to ensure the financing envelope is increased to accelerate progress over the next five-year period. Frontloading support for health systems is necessary to build the basis for higher coverage levels of all interventions. This will help to achieve the rates of mortality reduction needed to move towards the SDGs. Every year we do not invest in this area sufficiently brings us further from meeting the SDGs. Capitalizing on the World Bank's Human Capital Project launch in 2018 and the window of opportunities now, are important for achieving short- and long-term targets and overall development goals.
- **Strong country demand.** 50 countries have expressed a high need and interest in joining the GFF. Given that the GFF is country-driven, the timing is particularly important for countries that have made political commitment to UHC, to the Human Capital Project, and to "neglected priorities" (e.g., sexual and reproductive health and rights, including adolescent reproductive health, maternal, and newborn survival and nutrition in early years) and now need to crowd in financing to

deliver on their political commitments. To respond to country demand and achieve results at scale in each country where the GFF operates will require successful replenishment of the GFF Trust Fund since all available resources for country grants have been allocated to the existing 27 GFF countries.

- **Fragility.** With more than a third of its portfolio invested in fragile and conflict-affected countries, the GFF model has shown its ability to work in fragile settings where the people most in need tend to reside and where community health systems, including frontline service delivery, are supported by the GFF. In addition to measurable improved health and nutrition outcomes, the focus on the front lines creates jobs and is a means to ease conflict by increasing the trust in national institutions that deliver on commitments. Early results from the Democratic Republic of Congo show that the model can deliver in fragile settings. Other fragile countries and environments (e.g., most of the Sahel countries), not currently covered by the GFF, would be prioritized through this replenishment.
- **Capacity to scale up.** The GFF Secretariat has been focusing, through the new group of 11 countries, on consolidation of processes and on addressing the current aspects of the model that need strengthening based on lessons learned and feedback from key partners in countries. For example, country implementation guidelines are being developed in consultation with technical partners (H6, bilateral partners, and others) and a GFF Source Book is under preparation to facilitate technical collaboration. The investment case guidelines will also soon be updated to reflect lessons learned to date. The role of Liaison Officer has been created to support national governments to better manage the partnership aspects of the GFF, especially communications and coordination. The next section of this paper addresses more systematically six key aspects of the model that are being improved and strengthened as part of the GFF learning and course correction, which are built in to the GFF operational model. The refined model will be ready in time for the next group of countries to join, while also retrofitting, where relevant, to the existing 27 country operations.

# REFINING THE GFF MODEL FOR SCALE AND SUSTAINABILITY

The GFF's approach to continuous learning and improvement means that the GFF Secretariat is regularly seeking ways to improve the efficiency of the model and the related support that countries receive. The replenishment is a natural point at which to take a pause and for all partners to provide feedback and reflect on ways to further improve. This process has been facilitated by the due diligence that potential donors to this replenishment have carried out and the feedback they, as well as country clients and partners, have provided to the GFF Secretariat. The core of the GFF model is working well and delivering results, but some areas require strengthening.

**1 Expand innovative financing mechanisms.** Building on the success of the GFF's innovative financing work to date (e.g., loan buy-downs in IBRD eligible countries; nearly US\$1 billion raised from World Bank Sustainable Development Bond issuances to increase investor awareness of RMNCAH-N needs),<sup>9</sup> the GFF will continue to scale up and expand the use of various instruments to catalyze private capital for countries. The objectives of GFF's innovative financing are to (i) use the GFF Trust Fund to mobilize private capital at scale for health and nutrition of women, children, and adolescents and (ii) strengthen the enabling environment for the private sector to partner with the government, thereby increasing private investment at the country level. The GFF's innovative financing leverages the World Bank Group institutional platforms (e.g., World Bank Treasury for issuance of bonds, IFC health investment expertise and instruments, including blended finance)<sup>10</sup> in combination with the GFF's ability to use flexible grant funding to make private capital accessible to countries at more affordable terms, as well as its strong experience with pay-for-performance, ensuring financing linked to results and equity objectives.

**2 Be more explicit about supporting the universal health coverage (UHC) agenda.** The GFF is not set up to be a vertical donor fund for RMNCAH-N. Rather it aims to be a temporary financing mechanism

to support countries to make progress toward UHC with a specific focus — both for reasons of equity and efficiency — on the health and nutrition of women, children, and adolescents and primary health care. The initial results described above illustrate that the value added by the GFF approach really lies in strengthening health systems — particularly the front lines — to deliver a comprehensive package of RMNCAH-N services. Being more explicit about the links between the primary health care, the required financing, and the UHC agenda, both on the global and country levels, will facilitate dialogue with other partners and ministries and increase the GFF's contribution to the health financing and development agenda. In many of the GFF-eligible countries, the UHC agenda will continue to revolve around increasing access to a basic benefits package of RMNCAH-N services, including actions to remove demand-side barriers. The specific interventions will change as the context and drivers of mortality and morbidity shift.

**3 Be more deliberate about multisector engagement to maximize the health benefits of all key sectors.** The link between the GFF Trust Fund resources and IDA/IBRD remains critical for reasons of lowering transaction costs and leveraging a larger resource envelope. This does not mean, however, that the link should only be made with IDA/IBRD resources that are allocated to projects in the health sector. Domestic resource mobilization, strengthening public financial management, and some efficiency reforms (e.g., related to human resources or procurement of pharmaceuticals) go beyond the responsibility of the health sector. Addressing the social determinants of health requires working with sectors such as social protection and education. The GFF portfolio currently includes examples of collaboration across sectors, such as with social protection in Rwanda, social development in Indonesia, governance in Mozambique, and education in Bangladesh. Going forward, it is anticipated that this approach will be further mainstreamed.

<sup>9</sup> This is from a series of issuances that started in June 2018, the largest as of September 2018 is a 1 billion Can\$ benchmark issuance to Canadian investors. More details are available at:

<https://www.globalfinancingfacility.org/world-bank-canadian-dollar-benchmark-bond-highlights-benefits-investing-women-and-young-people>

<sup>10</sup> Blended finance is the strategic use of development finance to enable private capital flows to projects that address development objectives. It is a combination of public and private finance, which may or may not involve a form of subsidy.

**4 Strengthen country coordination.** Challenges related to proactive outreach, communication, information sharing, and transparency have been consistently raised by some partners, both donor partners in GFF countries that have a strong presence but have not joined the GFF and by United Nations technical partners who have competencies from which the GFF country platform can benefit more. Actions are already being taken to address these: (i) implementation guidelines that outline roles and responsibilities of partners are being finalized through a participatory process, (ii) GFF Liaison Officers have been recruited to support the government in its capacity to coordinate and communicate with partners, (iii) measures are being taken by the World Bank to ensure stronger country presence and (iv) support data review and analytics for country platforms to monitor success and challenges more frequently.

The GFF recognizes that coordination in the health sector has been challenging for countries for decades and that this is a complex problem to address. While the GFF does not purport to have a full solution to the coordination challenge, it proposes to use a combination of the following actions to support countries: (i) support to enable the government to be truly in the lead, (ii) actions to align partners in the country platform that are closely coordinated with interventions as necessary with the same partners at the global level through the GFF Investors Group, (iii) support for country-based civil society organizations to enable them to engage effectively in the platform, (iv) support to help federate the private sector where appropriate to enable better representation in country platforms, and (v) development and implementation of communications strategies to facilitate coordination and sharing of information.

**5 Expand the focus on domestic resource mobilization.** Generating additional domestic resources for health is core to the GFF value proposition. The experience so far has taught that the complexity of the domestic resource mobilization (DRM) agenda requires a combination of instruments and approaches. Linking disbursement of World Bank grants and loans to the domestic budget allocated to health has already proven to be successful in some countries (e.g., Cameroon, Kenya, Mozambique, Tanzania). Countries with more limited fiscal space for health have benefited from technical assistance to raise more health-specific revenues

(e.g., Sierra Leone, Uganda). In Nigeria, as mentioned, the combination of the demonstration effect of the GFF-funded pilot with strong advocacy has triggered the government to commit more domestic resources to health. These initial results confirm the potential for the GFF model to help generate additional domestic government resources for health, but also call for more intensified and coordinated efforts across the entire portfolio going forward. The GFF Secretariat will therefore expand the focus on DRM through a three-pronged approach: (i) creating high-level political support and joint advocacy, (ii) using stronger financial incentives, and (iii) linking investment cases more explicitly to the domestic budgeting process.

(i) The DRM agenda requires a partnership model led by the government and including development partners and civil society, together creating a conducive political momentum. Countries joining the GFF would do so with an explicit ambition of increasing domestic resources for health within their means. Initial GFF engagement would therefore include both Ministers of Health and Finance/Budget. The partnership will be leveraged more strategically to ensure that all partners speak with one voice and can support advocacy and sensitization at the highest levels.

(ii) The GFF Trust Fund resources will be used more strategically to support countries to increase spending on health. A more systematic use of operational approaches that support the DRM focus will be used in the design of World Bank financed projects, which, combined with aligned incentives of other major financiers will increase impact.

(iii) Linking investment cases to the domestic planning and budget process will create more ownership and supports increases in domestic resource allocations overtime. Aligned external resources and quality control processes will help make the case to the Ministry of Finance and other key stakeholders that the investment case is a good investment.

**6 Tailor the country-level theory of change more specifically to country characteristics.** The experience of working in a range of countries has led to the conclusion that not all aspects of the GFF model deserve equal attention across countries.



The GFF value proposition depends on where countries are in terms of two key variables: (i) their economic development and (ii) the speed at which their economies are growing. The growth dimension is an important one as most countries that have successfully increased public domestic resources for health have done so through economic growth. Rapid growth, however, also creates challenges related to inequities and absorptive capacity. Being more explicit about the GFF theory of change in each category of countries will facilitate better tailoring of GFF support and improve accountability.

Based on experience so far, countries tend to fall into four groups (Table 1) that can each benefit from GFF engagement in a specific way:

- **Low-income countries (blue).** The poorest countries are characterized by very weak technical and implementation capacity, high donor dependency, and related inefficiencies. In these countries, focus should be on supporting the delivery of RMNCAH-N services and improving donor alignment. The health financing agenda is typically limited to strengthening of key functions of budgeting and planning. Private sector work — if relevant — focuses on capacity building within ministries of health, often building on some form of contracting with private providers to complement public capacity to deliver products and services.
- **Lower-middle-income countries with limited economic growth (green).** As countries grow slightly richer, the health financing agenda becomes more complex. These are the countries where an IC that is part of the domestic budgeting process combined with a detailed theory of change for health financing reform can be most effective. Beyond avoiding overlap and fragmentation, the donor alignment agenda should focus on supporting common mechanisms of financing and service delivery that incentivize strengthening of the domestic system.

- **Lower-middle-income countries with high economic growth (red).** Countries that experience high economic growth have more opportunities for DRM and typically better technical capacity (at the central level) but face the challenge of increasing inequities and allocative inefficiencies. In these countries, household incomes tend to rise faster than the government's budget, which risks increasing reliance on out-of-pocket payments and inequities in access as supply tends to follow demand to richer urban areas. A strong health financing agenda, including integration of private sector, is key. These countries are also able to leverage significant private investment through blended finance and other innovative financing instruments.

- **Lower-middle-income countries closer to the upper-middle-income threshold (grey).** These countries, which represent a small share of the GFF portfolio, require a very targeted approach. Their domestic resource envelope is far more important than the external one, and — as many of them face higher interest rates — there tends to be less interest to take on World Bank loans to invest in social sectors. In these cases, the GFF approach should be shorter-term and very targeted and aimed at leveraging more and better use of domestic resources for health. Innovative financing and private sector interventions are a strong value add.

**Fragility** can occur at various income levels and is therefore not considered a separate group of countries. Fragile countries generally tend to suffer from weak institutions, political conflict, and high (pockets of) poverty and therefore require a strong focus on capacity building and institutional strengthening. While World Bank/GFF support is more restricted to input-based financing, these countries do often offer opportunities for innovative financing approaches to service delivery.

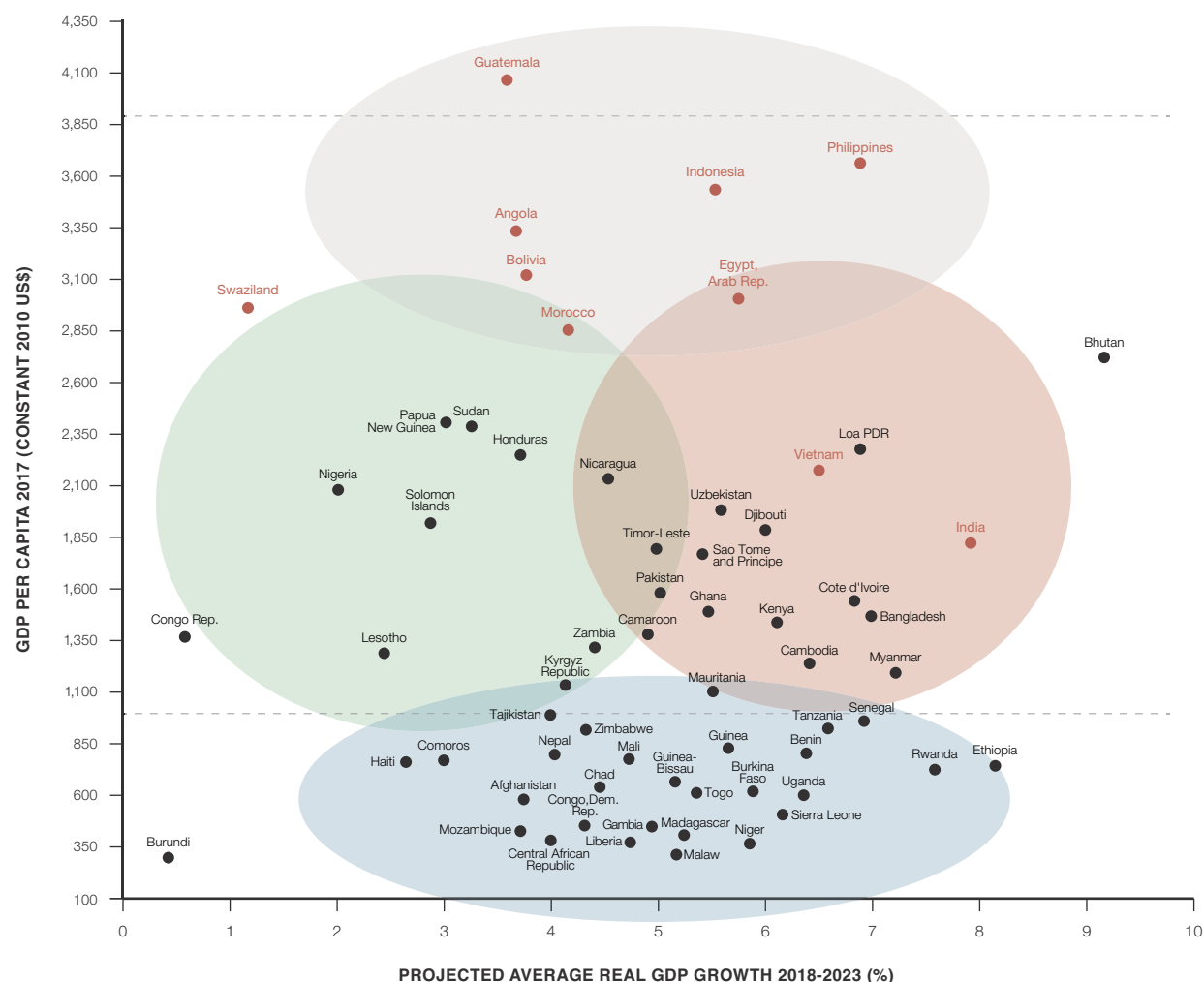
Table 1 provides an overview of key characteristics and their implications for the GFF value-add and way of working. It should be stressed that this classification is not meant to be exhaustive or prescriptive. Each country context will have to be assessed individually before defining the specific GFF value proposition and theory of change. Some countries might share characteristics with more than one category, which is why the circles in Figure 3 overlap.

**TABLE 1. CLASSIFICATION OF COUNTRIES, GFF VALUE PROPOSITION AND IMPLICATIONS FOR THE WAY OF WORKING**

	LOW-INCOME COUNTRIES	LOWER-MIDDLE INCOME COUNTRIES WITH LOW GROWTH	LOWER-MIDDLE INCOME COUNTRIES WITH HIGH GROWTH	LOWER-MIDDLE-INCOME COUNTRIES CLOSER TO UPPER-MIDDLE THRESHOLD
CHARACTERISTICS	<ul style="list-style-type: none"> <li>low coverage, high mortality</li> <li>high inefficiencies</li> <li>low technical capacity</li> <li>high donor dependency</li> </ul>	<ul style="list-style-type: none"> <li>capacity and finance constraints less severe than in poorest countries</li> <li>inequitable distribution of resources and outcomes</li> </ul>	<ul style="list-style-type: none"> <li>household incomes grow faster than government's</li> <li>increased reliance on out-of-pocket payments, inequities, and allocative inefficiencies</li> <li>declining external resources</li> <li>high technical capacity (at central level)</li> <li>growing private sector</li> </ul>	<ul style="list-style-type: none"> <li>better average outcomes, but unfinished agenda (neglected areas, population groups)</li> <li>low donor dependency, less interest to invest in social sectors or technical assistance</li> <li>higher technical and implementation capacity</li> <li>important private sector</li> </ul>
GFF VALUE ADD	<ul style="list-style-type: none"> <li>support service delivery</li> <li>improve efficiency of external resources limited health</li> <li>systems strengthening (budgeting and planning)</li> <li>capacity building for Ministry of Health for strategic use of private sector</li> </ul>	<ul style="list-style-type: none"> <li>more comprehensive health financing reform</li> <li>donor alignment: creating similar implementation and funding mechanisms to incentivize scale-up and integration</li> <li>build technical capacity</li> </ul>	<ul style="list-style-type: none"> <li>support domestic resource mobilization and public financial management to increase absorptive capacity</li> <li>align instruments to incentivize reforms</li> <li>GFF platform approach and inclusion of civil society organizations</li> <li>integrate private sector</li> <li>innovative financing opportunities</li> </ul>	<ul style="list-style-type: none"> <li>leverage more/better use of public resources</li> <li>support health financing reforms</li> <li>improve quality of implementation</li> <li>demonstration effects</li> <li>innovative financing</li> </ul>
GFF WAY OF WORKING	<ul style="list-style-type: none"> <li>pilot-based approach to improve efficiency in service delivery</li> <li>targeted health financing support (limited capacity to develop full-fledged health financing strategy)</li> <li>IC focus on aligning external financing -country platform needs a lot of support</li> </ul>	<ul style="list-style-type: none"> <li>IC linked to domestic budget</li> <li>health financing: Theory of Change for GFF impact indicators with implementation plan</li> </ul>	<ul style="list-style-type: none"> <li>strong financial incentives to leverage health financing reforms and domestic resource mobilization</li> </ul>	<ul style="list-style-type: none"> <li>very specific theory of change</li> <li>targeted technical assistance</li> <li>little value add of IC process to align external financiers</li> <li>support for private sector interventions in health system</li> </ul>

Figure 3 provides a distribution of GFF-eligible countries across this classification.

**FIGURE 3. FIGURE 3. CLASSIFICATION OF GFF-ELIGIBLE COUNTRIES BASED ON GNI PER CAPITA AND PROJECTED ECONOMIC GROWTH, 2018–23**



Sources: [World Bank \(2018\)](#) and [IMF \(2018\)](#).

**Note:** The circle colors relate to the country classification described in Table 1; they are merely indicative and are not meant to prescribe the approach that will be taken in countries as they join the GFF. Dashed lines represent the [WB income group classification](#) for low-income countries (US\$995/cap) and lower-middle-income countries (US\$3,895/cap). Countries in red are eligible for loans from IBRD.



Countries enter the GFF process at various stages, but they will transition between categories as their economy grows. The GFF wants to be responsive, facilitate this process, and provide tailored support. While initially the poorest countries very much need better coordinated external financing and implementation support (as described for the Democratic Republic of Congo), as their domestic resource envelope grows, more attention should be given to institutionalizing programs. GFF financial support can be used in those countries to support key reforms and institutionalization. The higher the economic growth rate, the more prominent the DRM and equity agendas should become to avoid the situations described in Cameroon and Nigeria, where economic growth did not translate into better health outcomes. As countries grow richer, the GFF approach should be more targeted and short term and attention should shift from alignment of external financiers to improved domestic resource mobilization and utilization. While the DRM agenda is more challenging in low growth settings, it should be a focus area across all countries; many of the poorest countries allocate well below what would be within their means to the health sector.



- 7 More systematic implementation.** As noted, the addition of 11 countries over the past year has been matched with a more systematic approach to implementation. This includes providing more clarity on what it means to implement the GFF through the production of GFF country implementation guidelines and the accompanying GFF Source Book. A more systematic approach is also being adopted for the results agenda, with in-country support to be provided to each GFF country through contracts with technical agencies. The hiring of the GFF Liaison Officers is underway in the 27 GFF countries. The investment case guidelines are being updated to reflect the changes contained in this document as well as other lessons learned.

At the country level, an urgent priority being addressed is strengthening the functioning of the GFF country platform, particularly in countries that have entered the implementation phase of their GFF process. The hiring of the Liaison Officer is one step that has been taken; other steps such as clarifying the membership of the platform through signing of MOUs and developing and adopting terms of reference for the GFF platform, more regular communications at country level (especially on results), and annual self-evaluations of the platforms are measures that are being implemented to address the current challenges in the functioning of the country platforms.

# PHASED EXPANSION

The Human Capital Project at the World Bank is expected to create heightened demand from countries for GFF technical assistance and resources. The Human Capital Index will increase the visibility of deficits in human capital potential in countries, which creates a large opportunity for high-level commitment to the policy issues and will enable the GFF as one of the key financing platforms of the Human Capital Project to accelerate its impact. Special emphasis will be given in the expansion phase to the 30 lowest performing countries in the Human Capital Index, including countries in the Sahel region.

The GFF replenishment aims to generate resources that will enable the GFF to expand to a total of 50 countries between 2018 and 2023. The experience from the most recent 11 countries to join the GFF is showing that proceeding in a “group” approach helps to provide more systematic support to countries.

As agreed with the GFF Trust Fund Committee, the GFF uses a formula that combines several factors — notably burden of disease and financing needs — to determine specific country allocation amounts from the GFF Trust Fund. The Trust Fund Committee also agrees which new countries join the GFF from the pool of GFF-eligible countries that have expressed demand for GFF support.

The GFF Trust Fund allocations for countries are then directly linked to World Bank funds as cofinancing of government projects, based on the investment case. These are aligned with other cofinancing and used also to catalyze domestic resources. Trust Fund resources are also used to crowd in private sector capital and investments. The country’s decisions on how to use their World Bank resources is an on-going process. It is thus critical that the GFF Trust Fund achieves a balance between rapid allocations to projects that are currently in the project pipeline while maintaining some flexibility (i.e., unallocated portions of the country allocations) to be able to create the incentive for further allocations of World Bank resources to health-related projects in the next 1–2 years.

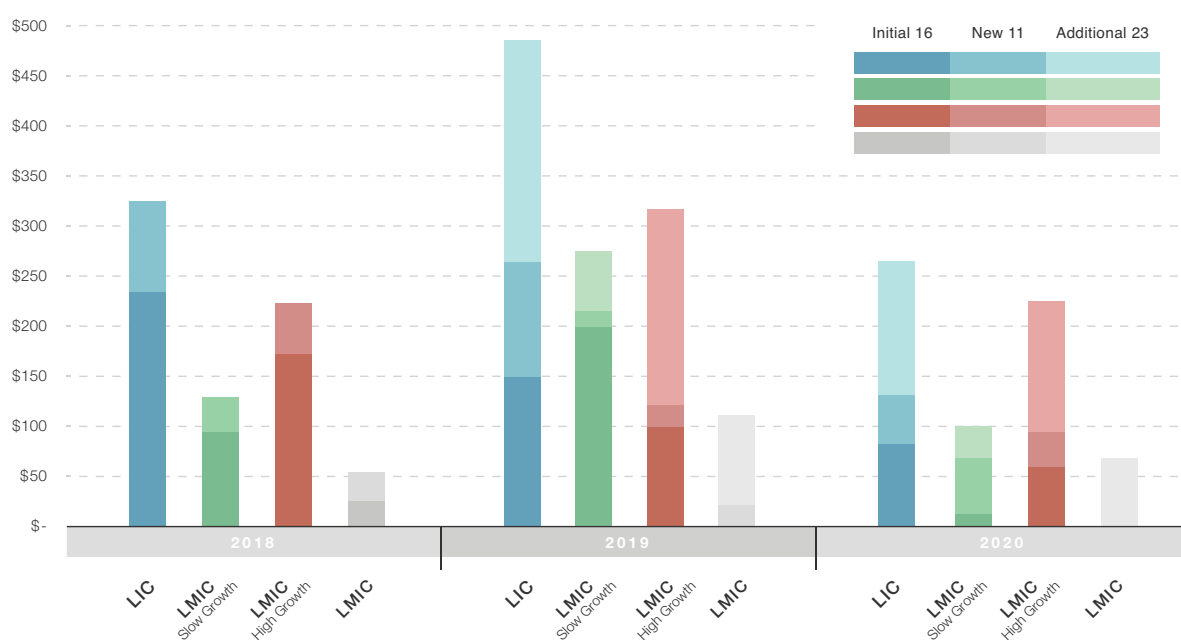
The GFF Secretariat analysis of the current and anticipated pipelines of health-related projects in the 50 highest priority GFF-eligible countries indicates the need for the full US\$2 billion requested from donors through this replenishment. Given the need for further consolidation of the GFF approach and the need to broaden the engagement to sectors beyond health in the initial 16 countries, this expansion plan proposes to proceed in a deliberately planned manner for the future scale-up.

## The following stages are envisaged (Figure 4):

- **Initial 16 countries.** Provide as planned, and depending on the country category, follow-up grants in the sectors where the GFF is already invested to take initial results from the first three years to scale and provide targeted grants to other core sectors needed to influence health results, including in areas that strengthen health financing at the country level (US\$455 million in 2019, US\$169 million in 2020).
- **11 countries developing investment cases.** In many of these countries, it is anticipated that, to fully leverage World Bank investments for health impact, GFF cofinancing would be provided to more than just the health sector from the start. These countries are expected to require another US\$298 million spread proportionally across 2019 and 2020.
- **23 additional countries.** New countries would be added to the GFF portfolio based on the selection criteria and process noted above at the following pace:
  - March 2019: 11 new countries;
  - March 2020: 12 new countries.These additional countries are expected to require about US\$939 million.

Figure 4 shows the allocations of the GFF Trust Fund across different categories of countries; disbursement will take place over a longer period. By 2023, 50 countries will have gone through the GFF process of ensuring that a country-led multi-stakeholder platform is in place and running; GFF Trust Fund and other resources are mapped, prioritized, and aligned through an investment case; and health financing work programs are being implemented.

FIGURE 4. PLANNED EXPANSION



**Note:** The dark-medium-light shades represent allocations to the initial 16, next 11, and additional 23 countries respectively. The total allocation for each country is predicted by the methodology approved by the Trust Fund Committee (with some re-allocations required). Financial allocations are based on the selection of 50 countries with highest needs (additional 23 to be approved by the Trust Fund Committee). The number of grants per country is determined by the country category (grey category receives one grant, red and green categories receive two grants, and some in the blue category receive three grants) and by a country-level assessment of the opportunities for multisectoral engagement. LIC = lower-income country, LMIC = lower-middle-income country.

# EVALUATING THE MODEL

The GFF model was developed in a participatory manner and continues to be refined as implementation experience accumulates and lessons emerge. As part of the country implementation guidelines, each country platform will include an annual self-assessment. The GFF is also increasing its support to countries to enable them to imbed implementation research into the investment cases. In some countries (e.g., Nigeria) financing is allocated specifically to undertake a full evaluation of a pilot approach supported by the GFF. In addition, the GFF is considering the feedback it receives from stakeholders, either through informal conversations or through rapid assessments such as the recent review conducted by the European Commission, and adjusting its operating model based on this feedback.

While these various sources of information provide important data to support the continuous learning and improvement goals of the GFF, it will also be important to conduct an independent external evaluation of the GFF model. This evaluation is proposed to take place in 2021 as a mid-term review during the 2018–23 replenishment period, which will give enough time for the initial 27 countries to have produced results under a GFF approach and also provide sufficient time to course correct as needed before the end of 2023.

## THE GFF EXIT STRATEGY: MAINSTREAMING AND GRADUATION

The catalytic nature of the GFF means that it does not aspire to remain in place beyond the period that is necessary to achieve its objectives in-country. The GFF process provides an initial impetus to align incentives and build capacity to bring about systemic changes in countries that can either be sustained on their own or with much reduced levels of financial investment from the GFF Trust Fund. The GFF model is successful in a country when mortality and morbidity rates of the most vulnerable populations fall significantly and when external support can be reduced or eliminated. Countries are likely to make progress when (i) the government is truly in the lead and has the capacity to continue the prioritized planning process that is contained in the investment case and to use integrated data systems to monitor implementation, (ii) the country is on an upward trajectory for the mobilization of domestic government resources for health and nutrition, (iii) the country has created an enabling environment and is harnessing the resources and capacity of the private sector and value add of civil society to achieve health results, (iv) external financiers are aligned with the government-led plan, and (v) core GFF principles have been mainstreamed.

Given that countries are at different stages in their levels of development (Table 1), that many will continue to face fragility and shocks, and that the GFF theory of change differs

for each type of country, it is anticipated that countries will require GFF partnership support for different lengths of time and at different intensity. It is envisaged that only one phase of GFF grant support would be required in the slightly richer lower-middle-income countries. However, the poorer countries will likely need at least two rounds of grants — with the current first round being larger than the second — and some countries will receive a third grant. All countries will receive technical assistance in areas such as domestic resource mobilization and it can be expected that this technical assistance will be required in some cases after the GFF grants ceases, with the objectives of solidifying and sustaining the gains achieved in the initial grant-making periods.

This strategy translates into the large bulk of the GFF resources being required for the current replenishment period, 2018–23, because it will finance a first round of grants in 34 countries and a second round of grants in the initial 16 countries, along with technical assistance. As noted, a small number of countries in fragile areas or that remain at low-income status may require support through the GFF process and Trust Fund grants also after 2023, to reach the SDG3 targets by 2030.



# A GFF SECRETARIAT THAT IS AGILE AND FIT FOR PURPOSE

To ensure all 50 countries receive adequate support, the GFF Secretariat will continue to build on the existing business model with its close operational link with the World Bank as well as leveraging the capacity of partners in GFF countries. In addition, each GFF country has recruited a GFF Liaison Officer to support the government to lead the GFF country platform. To be fit for purpose for the expansion phase, the

GFF Secretariat has been strengthened with additional staff over the past year and additional growth has been planned, which includes several secondments from key GFF partners. In addition, the World Bank is increasing its footprint in GFF-supported countries by ensuring staffing in country offices. The implementation guidelines will strengthen the engagement of technical partners in the GFF country platform.



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