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Actions in follow-up to the recommendations of the International Conference on Population and Development

Flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development

Report of the Secretary-General

Summary

The present report is submitted in response to a request made at the twenty-eighth session of the Commission on Population and Development for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development. It complies with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the financial resources allocated for the implementation of the Programme of Action.

The report examines levels of donor and domestic expenditures for population activities in developing countries for 2009 and provides estimates for population expenditures in 2010 and projections for 2011. Donor assistance has been increasing steadily over the past few years, reaching $10.4 billion in 2008. This was the first time that population assistance has surpassed $10 billion. The strong upward trend seen recently has stalled, and funding remains virtually unchanged in 2009. It is expected to increase only slightly to just under $10.5 in 2010 and to $10.8 in 2011. A rough estimate of resources mobilized by developing countries, as a group, yielded a figure of $29.8 billion for 2009. The 2010 and 2011 figures are expected to follow the same pattern, increasing to $31 billion in 2010 and to $34 billion in 2011.

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Current funding levels continue to remain below the targets necessary to fully implement the goals of the Programme of Action and achieve the Millennium Development Goals. This is true for all four components of the costed population package — family planning; reproductive health; sexually transmitted diseases (STDs) and HIV/AIDS; and basic research, data and population and development policy analysis. Funding is not expected to increase to levels required to meet current needs in the near future, given the current global financial situation.

I. Introduction

1. The present report has been prepared by the United Nations Population Fund (UNFPA) in response to a request at the twenty-eighth session of the Commission on Population and Development (see E/1995/27, annex I, sect. III) for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development held in Cairo in 1994.[1] The report is part of the work programme of the Commission on Population and Development and is submitted in accordance with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the financial resources allocated for the implementation of the Programme of Action.

2. The report reviews the flow of funds from donor countries for population assistance in developing countries[2] and provides estimates of governmental and non-governmental expenditures for population activities in developing countries for 2009. It also includes donor and developing country estimates for 2010 and projections for 2011. Data collection activities for both donor and domestic resource flows were undertaken by the Netherlands Interdisciplinary Demographic Institute under a contract with UNFPA. To build regional capacity to monitor resource flows, UNFPA and the Institute work with the Indian Institute of Health Management Research in the collection of data on domestic expenditures. Evaluation and analysis of data were carried out jointly by UNFPA and the Netherlands Interdisciplinary Demographic Institute.

3. A detailed questionnaire was mailed to 129 key actors in the field of population and AIDS, including major multilateral organizations and agencies, large private foundations and other non-governmental organizations (NGOs) that provide substantial amounts of population assistance and donor countries that are members of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee. To decrease respondent fatigue, coordinate monitoring of resource flows and ensure consistency in reporting, as much information from donor countries as possible is obtained from the Development Assistance Committee database. In the absence of complete data from major donors by the publication deadline, the information contained in the report is based on estimates, taking into account past funding behaviour.

4. Information on domestic resource flows is based on data supplied by Governments and non-governmental organizations in developing countries throughout the world, secondary sources, and estimations and projections.

5. The external and domestic financial resource flows for population activities analysed in the report are based on the “costed population package” as specified in paragraph 13.14 of the Programme of Action. The package comprises family planning services; basic reproductive health services; prevention activities in the

[1] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

[2] All references to developing countries in the present report also include countries with economies in transition.

areas of sexually transmitted diseases (STDs) and HIV/AIDS;[3] and basic research, data and population and development policy analysis.

II. International assistance to population activities

6. Donor assistance for population activities increased until 2008, when it stood at $10.4 billion. The strong upward trend observed in recent years stalled in 2009 as the effect of the global financial crisis began to set in — the provisional figure for 2009 remains about the same as that for 2008 at $10.39 billion (see table 1). It is expected that funding levels will increase only slightly to $10.46 billion in 2010 and to $10.8 billion in 2011. However, it is possible that given the uncertainty regarding how long the effects of the global financial crisis will last, the final figures for 2010 and 2011 may well be below those estimates.

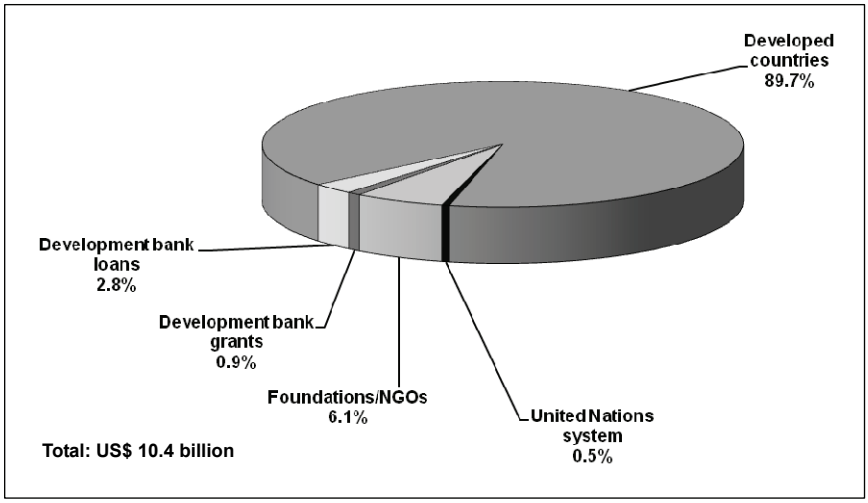
Table 1
International population assistance, by major donor category, 2008-2011
(Millions of United States dollars)

Donor category	*2008*	*2009 (provisional)*	*2010 (estimated)*	*2011 (projected)*
Bilateral assistance				
Developed countries	9 298	9 329	9 423	9 739
Multilateral assistance				
United Nations system	65	36	64	66
Development bank grants	46	95	45	47
Development bank loans	354	296	296[a]	296[a]
Private assistance				
Foundations/non-governmental organizations	643	630	636	656
Subtotal excluding bank loans	10 050	10 090	9 804	10 258
Total	**10 404**	**10 386**	**10 464**	**10 804**

Source: UNFPA, *Financial Resource Flows for Population Activities in 2008* (New York, 2010) and Resource Flows Project database.
Note: Totals may not add up due to rounding.
[a] The 2010-2011 figures for development bank loans are estimated at the 2009 level.

[3] Beginning with the 1999 round of questionnaires, the Resource Flows Project began to include data on HIV/AIDS treatment and care to address the growing reporting needs of the Joint United Nations Programme on HIV/AIDS (UNAIDS) and because it was becoming increasingly impossible for respondents to provide information on HIV/AIDS prevention activities only. As of 2008, to ensure consistency, all data on HIV/AIDS expenditures are obtained directly from UNAIDS using the broader AIDS definition.

Figure I
Population assistance by source, 2009



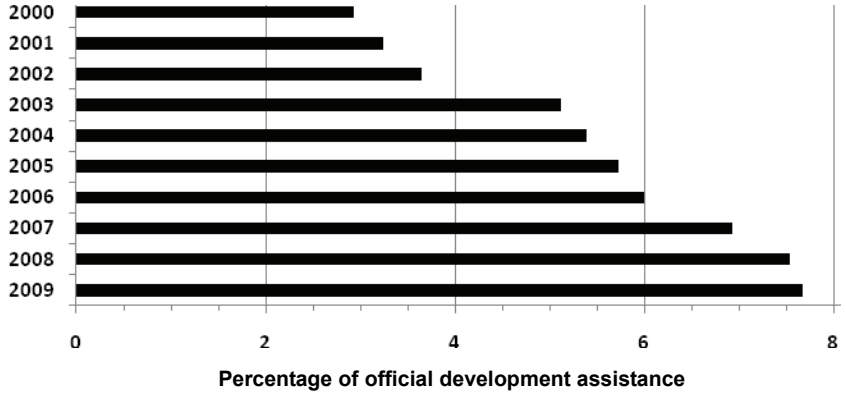
Source: Resource Flows Project database. Figures are provisional.
Note: Totals may not add up due to rounding.

A. Bilateral assistance to population activities

7. Donor countries traditionally provide the largest share of population assistance (see figure I). Bilateral assistance is estimated at just over $9.3 billion in 2009, only slightly above the 2008 figure. The increasing trend seen over the last decade stalled, as a number of countries facing financial difficulties decreased funding for population activities. It is estimated that the situation may have improved somewhat in 2010, and that funding could reach $9.4 billion. Projections for 2011 place this figure at $9.7 billion, reflecting a more optimistic financial outlook for the year.

8. According to the latest OECD figures, official development assistance (ODA) decreased to $120 billion in 2009 from $122.4 billion in 2008. The percentage of total ODA that donor countries, as a group, contributed to population assistance increased to 7.67 per cent in 2009 from 7.54 per cent in 2008 (see figure II). There are significant variations between countries in the percentage of ODA spent on population activities, from 0.73 per cent to 17.93 per cent.

Figure II
Population assistance provided by donor countries as a percentage of official development assistance, 2000-2009



Source: UNFPA, *Financial Resource Flows for Population Activities in 2008* (New York, 2010) and Resource Flows Project database.
Note: Data for 2009 are provisional.

B. Multilateral assistance for population activities

9. Multilateral assistance for population activities consists of contributions provided by the organizations and agencies of the United Nations system and grants and loans provided by development banks.

United Nations system

10. Multilateral assistance originating in the United Nations system, consists mainly of funds from the Joint United Nations Programme on HIV/AIDS, UNFPA, the United Nations Children's Fund and the World Health Organization. Whatever the United Nations agencies receive for population assistance from Development Assistance Committee donor countries is considered to be bilateral assistance. General funds of agencies that are not earmarked for population activities, interest earned on funds and money from income-generating activities that is spent on population activities are considered to be multilateral assistance for population. Funds received from developing countries that agencies spend on population activities are a small portion of an agency's regular budget and are also included as multilateral assistance. Provisional figures for multilateral assistance originating with the United Nations system show a substantial decrease, from $65 million in 2008 to $36 million in 2009. This could be due in part to the economic slowdown as well as to the fact that a number of United Nations agencies did not provide information by the publication deadline.

11. UNFPA is the leading provider of United Nations assistance in the field of population, providing support to 155 developing countries in 2009. UNFPA relies on voluntary contributions and follows its strategic plan for 2008-2013, the goal of which is to accelerate progress towards realizing the Programme of Action and the Millennium Development Goals, focusing on three key areas: population and development, reproductive health and rights, and gender equality. The plan is results-based and specifies anticipated outcomes and indicators to measure results.

Bank grants

12. In 2009, the World Bank, the only development bank reporting expenditures for special grant programmes in population, increased the total amount of grants to $95 million.

Bank loans

13. Development banks, which provide loans to developing countries, are an important source of multilateral population assistance. Their contributions are treated separately from grants because their assistance is in the form of loans that must be repaid. The banks' projects reflect multi-year commitments recorded in the year in which they are approved but disbursed over several years. Most loans for population assistance come from the World Bank, which supports reproductive health and family planning service delivery, population policy development, HIV/AIDS prevention, and fertility and health survey and census work. In 2009, the World Bank made available $296 million in loans for population activities.

C. Private assistance for population activities

14. Foundations, non-governmental organizations and other private organizations are also important sources of population assistance. In 2009, it is estimated that foundations and NGOs contributed $630 million to population activities, down from $643 million in 2008. The recent upward trend has been reversed most probably due to the financial crisis that has hit the institutions. It is not certain whether the level of private assistance for population activities will increase in 2010 and 2011.

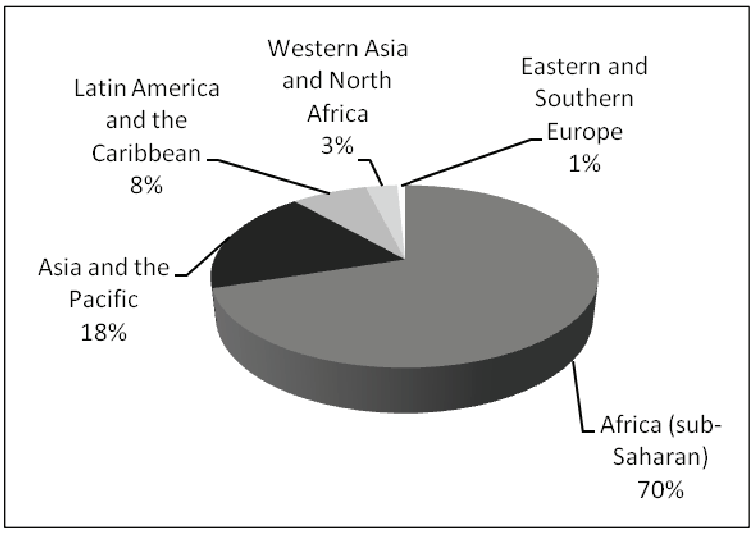
III. Expenditures for population activities

15. Figures for international population assistance reflect financial resources contributed by donors in a given year, while expenditure figures reflect the funds that have been received by developing countries in the year. International assistance may be provided by a donor either directly to the developing country or to an intermediate donor such as a multilateral organization or international NGO. Recipients may be developing country Governments, national NGOs or donor field offices in developing countries. International population assistance for a given year does not automatically equal the expenditures in that year as funds are not always spent in the year in which they are received. This is particularly the case when funds are channelled through an intermediate donor. Thus, for example, funds provided by a donor to a recipient country in year A are included in international population assistance and expenditures in year A. Funds provided by a donor to an intermediate donor in year A but spent by that intermediate donor in a recipient country in year B would be included under population assistance in year A and expenditures in year B. Development bank loans are not included in the expenditure figures because they reflect large blocks of loan agreements made in a single year but intended to be expended over several years.

A. Expenditures for population activities by geographic region

16. Sub-Saharan Africa, which includes the majority of the least developed countries, continues to be the largest recipient of assistance, receiving 70 per cent of all aid going to the five geographic regions (see figure III). About 36 per cent of all population assistance goes to fund global and interregional population activities, including advocacy; research; reproductive health; support for the Global Fund to Fight AIDS, Tuberculosis and Malaria; HIV/AIDS prevention, care and support; and safe motherhood.

Figure III
Population assistance by geographic region, 2009



Source: Resource Flows Project database. Figures are provisional.

B. Expenditures for population activities by category of activity

17. UNFPA monitors expenditures for population activities in the following four costed categories: (a) family planning services; (b) basic reproductive health services; (c) STD/HIV/AIDS activities; and (d) basic research, data and population and development policy analysis.

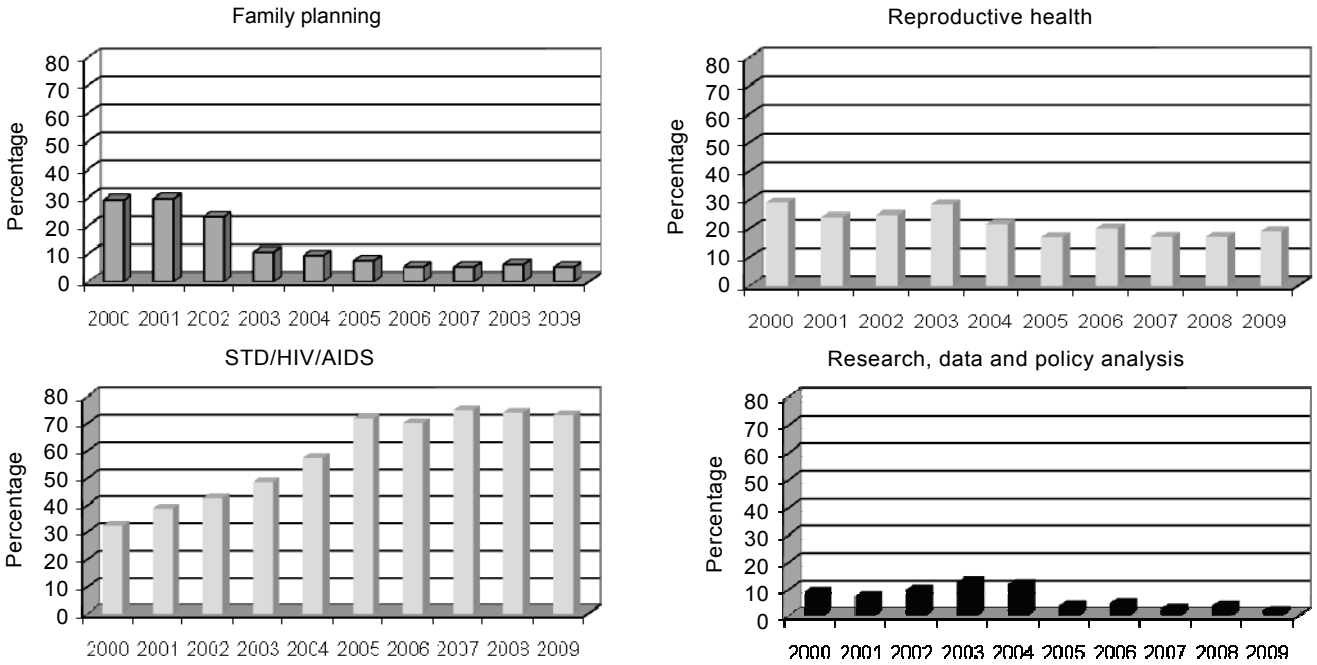
18. The growing trend towards integration of services and the use of sector-wide approaches in development assistance is making it increasingly difficult for countries to readily distinguish between expenditures for population and other health-related activities and, within the population sector, between family planning, reproductive health and STD/HIV/AIDS activities. However, while precise figures may not always be available, it is still possible to estimate the amount of resources spent on each of the four categories of the costed population package. Monitoring expenditures for the separate categories is an important component of budgeting, policymaking and programme planning.

19. Although funding has increased over the years, it has not done so in all areas of the costed population package (see figure IV). In fact, the increase in resource mobilization is due in large part to increases in funding for HIV/AIDS. It is important to ensure a substantial amount of money to stop the spread of HIV/AIDS, but it is also critically important to mobilize adequate resources for the other components of the population package, especially for family planning and reproductive health, which are essential to achieving Millennium Development Goal 5, the one which is falling behind the most.

20. Funding for family planning services has decreased in absolute dollar terms since 1995, when UNFPA first began monitoring resource flows by the four costed population categories. Although funding for reproductive health and basic research activities has increased, HIV/AIDS activities continue to receive by far the most population assistance. Funding for family planning reached its lowest point in 2006, after which it began to increase. Provisional 2009 figures point to a slight decrease. Funding for reproductive health increased noticeably in both 2008 and 2009, while provisional figures for HIV/AIDS point to a decrease for the first time in 2009. Figure IV provides expenditures for population activities as a percentage of total population assistance for the four components of the costed population package for the years 2000 to 2009.

Figure IV

Expenditures for population activities as a percentage of total population assistance, 2000-2009



Source: UNFPA, *Financial Resource Flows for Population Activities in 2008* (New York, 2010) and Resource Flows Project database.

C. Expenditures for population activities by channel of distribution

21. Assistance for population activities flows through a diverse network, moving from the donor to the recipient country through one of the following channels: (a) bilateral — directly from the donor to the recipient country Government; (b) multilateral — through United Nations organizations and agencies; and (c) non-governmental. The bilateral channel has overtaken the NGO channel, which had predominated during the past decade. In 2009, it is estimated that about 36 per cent of population assistance was channelled by NGOs, compared to 39 per cent that went through the bilateral channel and 24 per cent that came from multilateral sources. This trend is expected to continue in 2010 and 2011, largely as a result of bilateral AIDS programmes.

IV. Domestic expenditures for population activities

A. Methodology

22. The Programme of Action pointed out that domestic resources of developing countries provide the largest portion of funds for attaining population and development objectives. It estimated that two thirds of the funding required to finance population programmes would come from domestic resources. The mobilization of adequate domestic financial resources is therefore essential for the full implementation of the Cairo agenda. UNFPA has been monitoring domestic expenditures for population activities since 1997, primarily through the use of survey questionnaires sent to its country offices throughout the world for further distribution to Government ministries and large national NGOs. Although most Governments make every effort to provide the information requested, many are often unable to supply data because of funding, staffing and time constraints. In addition, countries that do not have well-developed systems for monitoring resource flows are unable to provide information, especially when funding is pooled in integrated social and health projects and sector-wide approaches. Furthermore, most countries with decentralized Governments do not have accounting systems that can easily provide information on expenditures for population at subnational levels.

23. In the present report, total global domestic expenditures for population activities are estimated using a methodology that incorporates the responses of the surveyed countries, together with prior reporting on actual and intended expenditures and secondary sources on national spending. In the absence of such information, estimates and projections are based on national income as measured by the level of gross domestic product (GDP), which has proved the most influential variable explaining the growth of spending by Governments.[4]

B. Estimates and projections of domestic expenditures

24. The latest estimates and projections of global domestic expenditures for population activities for 2009-2011 are presented in table 2. The overall levels mobilized increased in 2009 and are projected to increase in 2010 and 2011. This is

[4] See Erik Beekink, “Projections of funds for population and AIDS activities, 2009-2011” (The Hague, 2010).

due in large part to the fact that the figures are heavily influenced by a number of large booming economies which remained mostly unaffected by the global financial crisis. It is estimated that developing countries spent $29.8 billion for population activities in 2009. The largest amount was mobilized in Asia ($17.3 billion), followed by sub-Saharan Africa ($4.8 billion), Latin America and the Caribbean ($4.7 billion), Western Asia and North Africa ($1.7 billion) and Eastern and Southern Europe ($1.3 billion).

25. Domestic expenditures are estimated to have increased, to $31 billion, in 2010 and are projected to increase further to $34 billion in 2011. Asia is expected to continue to mobilize the largest amount of financial resources in both 2010 and 2011. Sub-Saharan Africa is expected to mobilize the second largest amount of funds, followed by Latin America and the Caribbean, Western Asia and North Africa, and Eastern and Southern Europe.

26. It is estimated that 36 per cent of all domestic expenditures for population were spent on STD/HIV/AIDS activities in 2009. This percentage varied considerably by region, from 91 per cent in Eastern and Southern Europe to 11 per cent in Western Asia and North Africa.

27. Data on domestic resource flows are rough estimates because they are often incomplete and not entirely comparable. However, the information is useful in that it provides some idea of the progress made by developing countries in achieving the financial resource targets of the Programme of Action. While the figures show real commitment on the part of developing countries, they conceal the great variation in countries' ability to mobilize resources for population activities. Most domestic resource flows originate in a few large countries. Many countries, especially those in sub-Saharan Africa and the least developed countries, are not able to generate sufficient resources to finance their own population programmes and rely heavily on donor assistance.

Table 2
Projection of global domestic expenditures for population activities, 2009-2011
(Thousands of United States dollars)

	Source of funds				
Year	*Government*	*NGO*	*Consumers*[a]	*Total*	*Percentage spent on STD/ HIV/AIDS*
2009					
Africa (sub-Saharan)	2 226 197	129 558	2 424 891	4 780 646	86
Asia and the Pacific	4 915 659	169 762	12 210 498	17 295 919	17
Latin America and the Caribbean	2 759 332	96 443	1 828 458	4 684 234	48
Western Asia and North Africa	995 310	54 565	641 975	1 691 850	11
Eastern and Southern Europe	876 958	14 749	451 633	1 343 340	91
Total	**11 773 456**	**465 077**	**17 557 455**	**29 795 988**	**36**
2010					
Africa (sub-Saharan)	2 234 923	135 276	2 433 908	4 804 106	86
Asia and the Pacific	5 244 541	175 262	13 027 439	18 447 242	16

Year	Source of funds				
	Government	*NGO*	*Consumers*[a]	*Total*	*Percentage spent on STD/ HIV/AIDS*
Latin America and the Caribbean	2 747 062	100 047	1 829 677	4 676 785	47
Western Asia and North Africa	1 035 562	58 041	667 938	1 761 541	12
Eastern and Southern Europe	875 660	15 216	450 965	1 341 841	91
Total	**12 137 748**	**483 842**	**18 409 926**	**31 031 515**	**35**
2011					
Africa (sub-Saharan)	2 240 998	139 461	2 440 185	4 820 644	86
Asia and the Pacific	6 050 954	179 916	15 030 569	21 261 440	15
Latin America and the Caribbean	2 763 093	102 282	1 841 750	4 707 124	47
Western Asia and North Africa	1 061 814	60 332	684 870	1 807 016	12
Eastern and Southern Europe	887 939	15 735	457 289	1 360 963	90
Total	**13 004 797**	**497 727**	**20 454 663**	**33 957 187**	**32**

Source: Resource Flows Project database. See also Erik Beekink, "Projections of funds for population and AIDS activities, 2009-2011" (The Hague, 2010).

[a] Consumer spending on population activities covers only out-of-pocket expenditures and is based on the average amount spent per region, as measured by the World Health Organization for health care in general. For each region, the ratio of private out-of-pocket versus per capita Government expenditures was used to derive consumer expenditures in the case of population activities.

C. Components of domestic funding for population activities

28. Domestic funding for population activities comes primarily from Governments, national NGOs and private consumers. Governments are considered to be responsible for most domestic expenditures for population activities. However, since the level of Government funding usually depends on the level of national income, Governments in least developed countries, which are faced with many competing development priorities, often cannot afford to make the necessary investments in population programmes. They rely heavily on external funding from donors. National NGOs also contribute financial resources for population activities, but the majority of them are also highly dependent on international resources. Their main role lies in advocacy work and in reaching people at the grass-roots level.

29. Consumer spending as measured by out-of-pocket expenditures represents the largest part of resources spent on population activities. Private consumer expenditures account for a large percentage of total funding for health care. Although the exact amount of worldwide health-care spending for population activities is not known, it stands to reason that a significant proportion of expenditures for family planning, reproductive health and STD/HIV/AIDS services is borne by consumers. The few available sources of information on private spending reveal great variations between regions and countries and, in some cases, changes over time in the share of private spending within countries themselves. In estimating consumer spending, the Resource Flows Project used out-of-pocket health expenditures of households from the national health account figures collected

by the World Health Organization. The out-of-pocket health expenditures were assumed to be completely in line with out-of-pocket expenditures for population goods and services.

V. Funding requirements to achieve the objectives of the Programme of Action

30. To ensure adequate funding for the implementation of the Programme of Action, UNFPA reviewed the original estimates for the four categories of the costed population package and produced revised estimates to meet current needs and costs. These revised estimates, which were presented to the Commission on Population and Development at its forty-second session, in 2009, are much higher than the original targets agreed upon in 1994 because they take into account both current needs and current costs and include such interventions as AIDS treatment and care and reproductive cancer screening and treatment that were not part of the original package.

31. Table 3 sets out the levels of funding required to achieve the objectives of the Programme of Action. In order to fully fund the necessary sexual and reproductive health services, including family planning and HIV/AIDS services, as well as censuses, surveys, civil registration and population research and training, the international community would need to mobilize $49 billion in 2009. The costs are minimum estimates required to implement the goals of the Programme of Action in those areas. There will always be unspecified costs that fall outside the scope of the cost estimates, as well as adjustments for demand generation, stock maintenance and the like.

Table 3
Updated cost estimates for implementation of the Programme of Action by subregion, 2009-2015
(Millions of United States dollars)

	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*
Global	**48 980**	**64 724**	**67 762**	**68 196**	**68 629**	**69 593**	**69 810**
Sexual/reproductive health/family planning	23 454	27 437	30 712	32 006	32 714	33 284	33 030
Family planning direct costs	2 342	2 615	2 906	3 209	3 529	3 866	4 097
Maternal health direct costs	6 114	7 868	9 488	11 376	13 462	15 746	18 002
Programme and system-related costs	14 999	16 954	18 319	17 422	15 723	13 672	10 931
HIV/AIDS	23 975	32 450	33 107	33 951	34 734	35 444	36 189
Basic research/data/policy analysis	1 551	4 837	3 943	2 239	1 181	864	591
Sub-Saharan Africa	**20 063**	**27 075**	**29 473**	**29 869**	**30 292**	**30 022**	**28 980**
Sexual/reproductive health/family planning	8 482	10 612	12 596	12 675	12 764	12 184	10 731
Family planning direct costs	329	414	506	606	713	827	931
Maternal health direct costs	1 429	1 833	2 280	2 771	3 306	3 883	4 411
Programme and system-related costs	6 725	8 366	9 809	9 298	8 746	7 473	5 389

	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*
HIV/AIDS	11 228	15 891	16 227	16 746	17 243	17 638	18 110
Basic research/data/policy analysis	353	571	651	449	285	200	139
Asia and the Pacific	**17 549**	**23 281**	**23 923**	**23 788**	**23 862**	**24 415**	**25 245**
Sexual/reproductive health/family planning	9 055	10 278	11 027	11 753	12 124	12 820	13 533
Family planning direct costs	1 434	1 552	1 675	1 803	1 937	2 077	2 156
Maternal health direct costs	2 799	3 664	4 299	5 110	6 018	7 024	8 054
Programme and system-related costs	4 822	5 062	5 053	4 840	4 169	3 719	3 323
HIV/AIDS	7 853	10 687	10 848	11 048	11 207	11 409	11 525
Basic research/data/policy analysis	641	2 316	2 048	987	530	186	187
Latin America and Caribbean	**6 366**	**7 591**	**7 439**	**7 775**	**7 699**	**7 966**	**8 320**
Sexual/reproductive health/family planning	3 132	3 401	3 627	3 837	3 922	4 119	4 347
Family planning direct costs	310	343	378	414	452	492	518
Maternal health direct costs	958	1 182	1 431	1 706	2 009	2 340	2 680
Programme and system-related costs	1 864	1 876	1 818	1 717	1 461	1 286	1 150
HIV/AIDS	3 072	3 461	3 562	3 630	3 703	3 770	3 867
Basic research/data/policy analysis	162	729	250	309	74	78	106
Western Asia and North Africa	**2 795**	**3 685**	**3 418**	**3 538**	**3 501**	**3 865**	**3 721**
Sexual/reproductive health/family planning	1 852	2 009	2 130	2 232	2 258	2 339	2 415
Family planning direct costs	178	204	231	261	292	325	346
Maternal health direct costs	603	735	873	1 019	1 171	1 328	1 471
Programme and system-related costs	1 071	1 070	1 025	953	796	686	598
HIV/AIDS	798	1 095	1 112	1 131	1 146	1 163	1 183
Basic research/data/policy analysis	145	582	177	174	97	363	123
Eastern and Southern Europe	**2 204**	**3 091**	**3 508**	**3 226**	**3 275**	**3 326**	**3 542**
Sexual/reproductive health/family planning	933	1 137	1 334	1 510	1 645	1 824	2 004
Family planning direct costs	91	103	116	125	135	145	146
Maternal health direct costs	324	454	605	771	960	1 171	1 386
Programme and system-related costs	517	579	613	614	551	508	471
HIV/AIDS	1 023	1 316	1 358	1 397	1 435	1 465	1 503
Basic research/data/policy analysis	248	638	816	320	195	38	35

Source: UNFPA, *Revised cost estimates for the implementation of the Programme of Action of the International Conference on Population and Development: a methodological report* (New York, 2009).

Note: UNAIDS has since updated its cost estimates for HIV/AIDS expenditures to depict a scenario that reaches coverage later than the original figures presented here. The global 2009 figure for HIV/AIDS is $20 billion. This increases incrementally until it reaches $37 billion in 2015, slightly higher than the original figure.

32. The costing estimates for family planning assume that the current unmet need will be satisfied in 2015, although there is likely to be greater demand for family planning as people become more aware of the options. The costing estimates for reproductive health include antenatal care, delivery care, obstetric complications care, newborn interventions, reproductive organ cancer screening and treatment, as well as other maternal care interventions. STD/HIV/AIDS costing includes elements for prevention, treatment, care and support, including elements specifically to address the prevention of violence against women.

33. The cost estimates for the drugs, supplies and personnel needed to achieve the goals of the Programme of Action increase significantly over time owing to increases in the number of people projected to be receiving care as service coverage is scaled up, as well as underlying increases in the population.

34. Health systems and programme costs related to family planning and reproductive health were estimated to reflect the need for a significant investment in the health systems and planning in order to achieve the goal of universal coverage. Without adequate investment in health systems and programmes, it will be impossible to achieve the coverage goals. Elements included in this cost estimate include programme management, supervision, health education, monitoring and evaluation, advocacy, health system infrastructure, information systems, human resources training and commodity supply systems. The cost estimates for the health systems and programmes assume that the bulk of the investment will be made between 2009 and 2013. As a result of this assumption, the cost estimates for the health systems and programmes peak in 2011 and then begin to decline. Cost estimates also include support during humanitarian crisis situations, which are an ongoing challenge to medical systems in many countries.

35. Total costs for sexual and reproductive health, which includes the family planning and maternal health components (including direct costs and programme and systems costs), are estimated to be $23.5 billion in 2009, peak at $33.3 billion in 2014 and decrease slightly to $33 billion in 2015. Total costs for the HIV/AIDS component are estimated to be $24 billion in 2009 and to increase each year thereafter, until they reach $36.2 billion in 2015.[5]

36. The estimates for the basic data, research and population and development policy analysis component were obtained by summing four expenditure categories: censuses, surveys, civil registration, and research and training. Census expenditures were based on per capita census costs by subregion, which varied from $1.50 in East, Central and North Africa to $11.70 in Southern Europe. The total was then allocated to a four-year period: 10 per cent in the year before the census, 60 per cent in the census year, and 15 per cent in each of the two years after the census. Survey costs were estimated at $1.25 or $1.50 per household, depending on the subregion, while the household sample sizes were estimated at 1 per cent, 0.5 per cent, or 0.25 per cent, depending on whether the country had less than 1 million, between 1 million and 25 million or more than 25 million inhabitants. Furthermore, it was assumed that all developing countries should have a survey of this kind once every four years.

[5] UNAIDS has since updated its cost estimates for HIV/AIDS expenditures to depict a scenario that reaches coverage later than the figures presented in table 3. The global 2009 figure for HIV/AIDS is $20 billion. This increases incrementally until it reaches $37 billion in 2015, slightly higher than the original figure.

37. For civil registration costs, it was assumed that the cost of processing each event (births, deaths, marriages, divorces) and entering it into the statistical system was one third of the per capita census costs for each subregion. The expenditures for research and training were computed as 5 per cent of the total average annual costs of the previous three categories over the period from 2005 to 2015. The updated cost estimates for the data and research component are considerably higher than the original estimates agreed upon in Cairo in 1994, primarily because they reflect the real costs of census-taking to a much larger degree than previously. This is especially true in 2010, when total spending will reach $4.84 billion, of which $4.41 billion will be census expenditure. On the whole, census expenditure makes up about three quarters (75.8 per cent) of the total. Surveys comprise 6.9 per cent and civil registration 12.5 per cent. The average annual expenditure over the seven-year period is estimated to be $2.17 billion.

38. It is clear that current funding levels for all four categories of the costed population package are considerably below what is necessary to meet the needs in developing countries. Given the global financial crisis, stagnating funding levels and the uncertainty of future funding, the full implementation of the Cairo agenda may be in jeopardy. If estimates for 2010 hold, and if donors did indeed contribute around $10 billion and developing countries mobilized approximately $31 billion in domestic resources, the total amount is roughly $24 billion short of what was needed in 2010 to finance population programmes in developing countries.

39. Both donor and domestic funding should be increased in all four components of the costed population package to ensure implementation of the goals of the Programme of Action and the achievement of the Millennium Development Goals.

VI. Major challenges in reaching financial targets

40. *Impact of global financial crisis*. The global financial crisis has affected the amount of resources allocated to population activities. Official development assistance declined in 2009, and a number of donors have decreased funding levels for population. The recent upward trend in population assistance has stagnated.

41. *Dependence on a few key players for resource mobilization*. Population assistance originates with a few major donors, and the majority of domestic resources are mobilized in a few large developing countries. Most donor countries do not provide substantial funding for population activities, and most developing countries are not in a position to mobilize sufficient resources to fund much-needed population and AIDS programmes. Poor countries are faced with many competing development priorities and many of them cannot afford to make the necessary investments in population.

42. *Disproportionate share of consumers in expenditures for population*. Although not easy to track, the role played by consumers in spending for family planning, reproductive health and STD/HIV/AIDS is much larger than usually assumed. In many cases, it exceeds Government and NGO expenditures. Although variations exist between regions and countries, if spending on family planning, reproductive health and STD/HIV/AIDS is completely in line with spending on health in general, then it can be assumed that consumers in developing countries pay more than half of the burden of such expenditures. Out-of-pocket spending by consumers, especially

the poor, has important implications for policy initiatives aimed at reducing poverty and income inequality in the developing world.

VII. Conclusion

A. Progress in resource mobilization

43. Although considerable progress has been made, the financial resources currently mobilized are not sufficient to meet today's growing needs. Current funding levels are way below what is necessary to realize the goals of the Programme of Action and achieve the Millennium Development Goals. This is true for all four components of the costed population package. The lack of adequate funding remains a major impediment to the full implementation of the goals.

44. Of particular concern is the decreasing proportion of funding for family planning services, which, if not reversed, may have serious implications for countries' ability to address unmet needs for such services and could undermine efforts to prevent unintended pregnancies and reduce maternal and infant mortality. It is also very important to ensure adequate investment to support the 2010 round of censuses.

B. The way forward

45. Increased efforts to mobilize adequate resources on the part of both donors and developing countries are essential to fully implement the goals of the Programme of Action. This is especially important in times of financial crisis, when funding levels are not increasing enough to meet current needs in developing countries. The Millennium Development Goals, especially the eradication of extreme poverty and hunger, will not be achieved if population and reproductive health issues are not adequately addressed. Implementing the Programme of Action, especially the reproductive health goal, is essential for meeting the Millennium Development Goals that are directly related to health, including child mortality, maternal health and HIV/AIDS prevention, and social and economic outcomes, including gender equality and poverty eradication.

46. To accelerate the implementation of the Cairo agenda and to achieve the Millennium Development Goals, the international community should continue to:

(a) Ensure that population and reproductive health are seen as an integral part of the achievement of the Millennium Development Goals and that they figure prominently in national development programmes and poverty reduction strategies;

(b) Mobilize sufficient resources to fully implement the Programme of Action and ensure that family planning and reproductive health issues receive the attention they deserve at a time when the focus is increasingly on combating HIV/AIDS;

(c) Establish an effective partnership of donor and recipient countries based on mutual trust, accountability and donor coordination in support of country goals;

(d) Increase attention to cost-effectiveness and programme efficiency so that resources reach all segments of the population, especially those that are most in need;

(e) Enhance the role of the private sector in the mobilization of resources for population and development, in monitoring population expenditures and ensuring that financial targets and equity objectives are met.

47. A more efficient and timely monitoring system to report financial flows for population activities is essential. Currently, both donors and developing countries lag behind in reporting expenditures in this area. The most common constraints encountered include respondent fatigue, lack of human and financial resources, and difficulty in disaggregating the population component in integrated social and health projects and sector-wide approaches, as well as in disaggregating the four categories of the costed population package. Different recording practices and decentralized accounting systems also present significant challenges.

48. Given the uncertainty of funding during the current financial crisis, it is essential that all Governments, of both donor and developing countries, recommit themselves to implementing the objectives of the Programme of Action and mobilizing the resources required to meet current needs. It is also important to ensure that adequate resources are allocated to all areas of the costed population package: family planning services; reproductive health services; STD/HIV/AIDS activities; and basic research, data and population and development policy analysis. Without a firm commitment to population, reproductive health and gender issues, it is unlikely that the goals and targets of the International Conference on Population and Development and the Millennium Summit will be met.