

# Mapping of UHC2030 Sustainability and Transition Working Group members' approaches to transition from external financing in the health sector

## Snapshots of STWG members' policies and activities

Background notes for the meeting 30-31 March 2017

Draft – 20 March 2017

### Introduction

The UHC2030 Core Team commissioned a mapping exercise in preparation for the first face to face meeting of the recently-formed Sustainability and Transition Working Group (STWG). The purpose of this exercise is to produce a summary of STWG members' ongoing work related to transition from external financing in the health sector.

The outputs of the mapping include a) a short profile/summary of each agency, country or institution's work and b) a presentation for the first WG meeting. This document contains the short summaries, which we refer to as 'snapshots'. This reflects the informal nature of the summaries: they are intended as working documents to inform the STWG's work, and not as formal papers for publication.

The snapshots focus on the following aspects:

- definitions of sustainability and transition
- policies of agencies on transition
- approaches to transition and sustainability
- implementation processes and analytical and technical work
- key references.

Limitations:

- This was a rapid review with only 2 weeks for data collection and compilation. Some WG members were unable to respond in the time and have therefore not been included.
- The process for collecting information relied on STWG members to identify key materials and to set up the interviews, supplemented by some web searching. As such the review and snapshots may not include all relevant activities and approaches in the organisation.
- In particular, for WHO, the interviews were confined to the health governance and financing department, and do not capture approaches and work at regional level nor in disease programmes and partnerships.
- The short summaries have in some cases not been cleared by the STWG members. The consultants would welcome any corrections (by 6 April 2017).

The consultants are very grateful to the STWG members and their colleagues who contributed to documents, information and reflections for this exercise. We are also grateful for the support and guidance from the UHC2030 Core Team, especially Maria Skarphedinsdottir.



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**The Bill and Melinda Gates Foundation (BMGF)***15 March 2017***Understanding of transition from external support and sustainability in the health sector**

While BMGF does not have a specific definition of transition and sustainability, a recent policy brief on transition includes the following statement ‘the global community is increasingly focused on the catalytic role of domestic resources and private finance in poverty reduction and growth, along with the aspiration for countries to take charge of their own development and benefit from the diversity of financing resources available. Key to this shift is the issue of transition – the handoff from donors to countries of the financing and management of development programs. This transition needs to be well-managed to ensure the sustainability of programs, investment in development, and continued progress against poverty and the burden of disease’ (BMGF Policy Brief Aid transition in LICs).

**Main organisation approaches adopted to support transition and sustainability**

Transition is an important and growing area of interest for BMGF, particularly in the context of multilateral finance for health. In this regard, three approaches can be identified:

- i) Engaging with multilateral organisations such as IDA, AfDB, the Global Fund, the Global Financing Facility for RMNCAH and GAVI on thinking about transition policy and financing;
- ii) Supporting government efforts in priority countries (esp. Nigeria, India, and Ethiopia) to strengthen public financial management and prepare for transition; and
- iii) Working with research organisations, think tanks and NGOs on research and analysis of transition issues.

**Key implementation processes and relevant activities**

BMGF is interested in systematic approaches by multilateral institutions to smooth transitions from countries graduating from IDA/GAVI/Global Fund to non-concessional forms of finance. For instance, BMGF worked with the World Bank and IDA donors around the IDA-18 Replenishment in 2016 on the importance of establishing transitional financing mechanisms that would ease the sharp shift in volume and terms of resources countries can access from the World Bank and ensure gains made in the health and other social sectors can be sustained.

BMGF has also been approached on occasion with proposals to buy down non-concessional loans to LMIC country governments to help finance activities in the health sector. Developing a consistent approach to this kind of support is under discussion within the Foundation.

BMGF is also supporting efforts to strengthen PFM in India, Ethiopia and Nigeria in order to strengthen budget transparency and credibility (including within the health sector) and increase domestic resource mobilisation.

A number of discussion papers about transition draw on BMGF’s experience of transitioning support for the Avahan HIV prevention program to the Government of India and the Foundation’s focus on the multilateral development banks, to identify key elements for successful country transitions and how best to design transition programs to ensure ultimate domestic ownership and financing.

**Useful references**

BMGF Development Policy and Finance Discussion Paper 2015 ‘Poor people or poor countries? Aid transition and the ‘missing middle’ for LMICs’ by Rodrigo Salvado and Julie Walz  
 BMGF Policy Brief ‘Aid transition in LMICs’

<b>Center for Global Development (CGD)</b>	<i>14 March 2017</i>
<p><b>Definition of transition from external support and sustainability in the health sector</b>  CGD does not have an institutional definition for sustainability and country transition from external financing in the health sector. Bill Savedoff suggested as a definition: "a transition in which the <u>per capita amount</u> of external financing declines while indicators of (1) overall population health and (2) overall access to health services do <u>not</u> decline."</p>	
<p><b>Main organisation approaches adopted to support sustainability and transition</b>  CGD conducts and facilitates analytic work and develops proposals on aid and health system issues, but has not explicitly focussed on the transition from external support.</p> <p>They have led an extensive body of work around how to change the design of aid to provide incentives for efficient delivery and increased coverage, particularly around output or outcome based funding. This leaves the country to identify how best to strengthen its health systems and organise service delivery in order to achieve the intended results.</p>	
<p><b>Key implementation processes and relevant activities</b></p> <p>CGD has worked on the costs of the response to HIV and priorities in addressing this. This included recommendations for the design of PEPFAR support to incentivise and measure reduction in new HIV infections, and build in co-financing so that countries take on a larger share of funding for HIV.</p> <p>Other topics include:  Commentaries on the limitations of using World Bank income classification for determining aid allocation and on criteria used by the MCC.  System strengthening topics including analysis around inter-governmental transfers of health funding to local levels.  Health technology and cost effectiveness assessment work.</p>	
<p><b>Useful references</b>  CGD Working Group. <i>Aligning Incentives, Accelerating Impact: Next Generation Financing Models for Global Health</i>, 2015  R Forman. <i>Bridging the Gap Between Health and Finance: How Can Finance Ministries Support a Sustainable HIV Response?</i> 2016  M Over, A Glassman. <i>Strengthening Incentives for a Sustainable Response to AIDS: A PEPFAR for the AIDS Transition</i>. 2016</p>	

**Department of Foreign Affairs and Trade (DFAT), Australia 15 March 2017****Agency definition of transition from external support and sustainability in the health sector**

No explicit definitions for transition from external support and sustainability in the health sector, but DFAT has been concerned about these issues for a long period due to the diversity of countries in the Asia Pacific region (from fragile states, Pacific Island economies to strong economic powerhouses) and the high degree of country dependency on external funding, particularly for specific diseases and immunisation programs.

**Current policies on sustainability and transition from external financing**

The Australian Government's Health for Development Strategy 2015-2020 sets out the priorities for health investments in the aid programme. The Strategy's main geographic focus is Southeast Asia and the Pacific. Australia's health investments prioritise building public health systems and capacities in partner countries as the foundation for sustainability and increasing health security in the region. Investing in more effective global responses is also a priority of the Strategy, and within this context, policy engagement around managing country transition from global programmes.

There are no defined criteria for when DFAT transitions from health sector support in a country. Decisions around aid allocations at the country level are determined by country programs and based on a number of considerations, including historic factors, alignment with DFAT aid policies, and partner country priorities. Australia's aid policy "Australian aid: promoting prosperity, reducing poverty, enhancing stability" outlines four criteria or 'tests' which are used to guide decisions on aid allocations.

As well as our bilateral health programming, DFAT also pursues health outcomes through investing in regional and global programs, including through contributions to multilateral health agencies/funds such as WHO, the Global Fund and Gavi. In countries with a strong record of economic growth and access to domestic and other sources of development finance (a number of Southeast Asian countries fall into this category), DFAT's approach has tended to move away from direct service delivery towards technical cooperation and economic partnerships. This transition is negotiated with partner governments and reflected in the Aid Investment Plans, which are reviewed at central level through the Aid Investment Committee. Pacific Island states, many of which are middle income countries but have unique contexts and capacity challenges, are likely to continue to be a priority for Australian bilateral health aid for the foreseeable future.

**Main agency approaches adopted to support sustainability and transition**

DFAT's most direct support for transition and sustainability is through the World Bank Multi-Donor Trust Fund (MDTF) for Integrating Donor Financed Health Programs, established in 2015. The MDTF aims to support countries in strengthening their health systems to accelerate and sustain progress towards key health outputs and outcomes that contribute to UHC with a focus on assessing and supporting the financial and institutional sustainability of donor-financed health programs.

Australia is a member of both the Global Fund and Gavi Boards, and actively engages in the development and review of policies impacting on sustainability and transition in recipient countries. In particular, DFAT is a strong advocate for more investment in health systems strengthening through the funds, and ways to support transition in countries with low governance capacity.

**Key implementation processes and relevant activities DFAT's financial and technical support to transition and sustainability** is channelled through:

DFAT's investment in the World Bank MDTF for Integrating Donor Financed Health Programs is focused on Southeast Asia and the Pacific and consists of three windows:

- Window 1: supporting financial and institutional sustainability of national disease programs which are currently dependent on external funding
- Window 2: strengthening and supporting the financial and institutional sustainability of routine immunisation systems
- Window 3: strengthening health systems and improving regional health security.

In addition to DFAT's investment in the global health funds, DFAT's has bilateral health programs (particularly in PNG, Cambodia, Timor Leste and Solomon Islands), focusing on health systems strengthening. It also supports regional health programs in the Pacific. DFAT is also working to strengthen public financial management and institutional capacity in many countries, for example through our work with the World Bank in a number of Pacific countries.

**Useful references**

Australian Government Department of Foreign Affairs and Trade Health for Development Strategy 2015-2020

Australian aid: Promoting prosperity, reducing poverty, enhancing stability

Department of Foreign Affairs and Trade: Health Aid Factsheet (October 2016)

**Department for International Development, UK (DFID)** 16 March 2017**Agency definition of transition from external support and sustainability in the health sector**

DFID does not have explicit definitions for transition from aid and sustainability in this context. In practice, transition/exit from DFID financial support to the health sector at country level happens because of a decision either to end DFID bilateral support to the country, or to end support for health within the allocation of bilateral DFID funding available, which is based on a country level review process. Transition refers to moving to a different relationship between UK and the country.

Sustainability is not just about financial/fiscal capacity – it also requires institutional capacity to decide how best to allocate the resources available and systems to continue service coverage.

**Current policies on sustainability and transition from external financing**

UK aid strategy (2015) sets out the objectives of UK aid. Bilateral spending is determined by these objectives, needs (including poverty and child mortality levels), aid effectiveness, and ability to finance their own development. There is a commitment to allocate at least 50% of DFID spending to fragile countries and regions. Other countries are supported through regional and global programmes, global health funds and multilaterals, and increasingly, ODA channelled through other Government departments.

*Bilateral Development Review 2016: “We will take a nuanced approach to transition, recognising the individual situation of each country we work with.”*

**Main agency/organisation approaches adopted to support sustainability and transition**

As countries are more able to finance their own development, UK support will change. It can include support from other UK Government departments and health agencies, mainly TA. The transition process is not typically formalised in a written transition agreement with the country or between UK agencies. Currently there are 32 priority countries for DFID bilateral ODA support. DFID has phased out bilateral aid programmes in 20 countries since 2011; most are MICs, including China, India, South Africa and Indonesia.

DFID support for UHC includes both supporting countries both through targeted investments to specific diseases etc. and health system strengthening for long term sustainability and resilience.

DFID supports global agencies to support countries in health system strengthening, including support for WHO and WB health financing and public financial management work with countries. It has also supported work on market shaping to make health products more affordable.

**Key implementation processes and relevant activities**

DFID plans to exit the health sector (or country) will be discussed with Government and other partners in country, and there may be agreements with other development partners to take over roles that DFID has held.

Having a sustainable exit strategy is one of the criteria used in assessing business cases for approval in DFID – so exit strategies should be built into the design of support.

DFID has internal guidance on transition including how to exit from having a country programme.

**Useful references**

UK Treasury and DFID, *UK aid: tackling global challenges in the national interest*, CM9163, 2015  
Independent Commission on Aid Impact, 2016, *When aid relationships change: monitoring DFID’s approach to managing exit and transition in its development partnerships*.

DFID Management Response to ICAI report.

**European Union**

15 March 2017

**Agency definition of transition from external support and sustainability in the health sector**

There are no explicit definitions for transition from external support and sustainability in the health sector. Transition in the context of the EU means graduating from aid dependency including the phasing-out of grant-based bilateral aid.

**Current policies and approaches on sustainability and transition from external financing** The EU's development strategy, An Agenda for Change 2014-2020 determines the allocation of EU development aid to developing countries, shapes decisions on the type of modalities used and the sector focus in middle-income countries, and is changing the EU's relations with these countries. The policy's approach with MICs – differentiation – proposes changes at three levels:

*Aid allocation:*

1. introducing eligibility criteria for grant-based bilateral aid (leading to aid 'graduation').
2. increasing the share of aid to low-income countries, least developed countries and fragile states, with less to middle-income and high-income countries

*Aid modalities:*

3. differentiated development partnerships

There are eligibility criteria for the *Development Cooperation Instrument (DCI)* – the EU's main aid funding stream for South Africa, Latin America and Asia. Both upper-middle-income countries (UMIC) and economies whose gross domestic product represents more than 1% of global GDP are no longer be eligible for funding (21 of the 46 DCI countries including China, India, Indonesia, Malaysia, Brazil) and will stop receiving grant-based bilateral aid (with exceptions for some UMICs, South Africa, Cuba and Ecuador, Peru and Colombia remaining eligible for an unspecified phase out period). Countries will continue to be eligible for funding under thematic and regional programmes and through 'differentiated development partnerships'. The latter and third level of differentiation offers different types of modalities to some or all the countries that graduate from grant-based bilateral aid. Relationships will be based primarily on blended finance, technical cooperation or support for trilateral cooperation.

EU policy for the *European Development Fund (EDF)* only applies levels (2) and (3) with each of the 77 EDF countries remaining eligible for assistance, although many UMIC and HIC will be affected by the aid cuts.

**Key implementation processes and relevant activities**

Countries select whether to have health as a focal sector in bilateral programming (19 countries have). Bilateral funding for health is phased out where it is not a focal sector but other types of support can continue. Support may be channelled as budget support through state building contracts if PFM systems are strong enough.

The EU-WHO Universal Health Coverage Partnership: Supporting policy dialogue on national health policies, strategies and plans and universal coverage includes 27 countries and provides support to national health policies and planning; strengthens technical and institutional capacities for health systems and services adaptation and related policy dialogue. It also aims to ensure international and national stakeholders are increasingly aligned around national plans and adhere to other aid effectiveness principles (including through UHC2030).

**Useful references**

<https://www.devex.com/news/it-s-almost-final-eu-to-slash-aid-to-middle-income-countries-82686>

Bond/ODI 2013. *What future for EU development cooperation in middle income countries?*

European Commission 2010 Commission Staff Working Document *Contributing to universal coverage of health services through development policy*



<b>Gavi, The Vaccine Alliance</b>	<b>DRAFT 14 March 2017</b>
<p><b>Agency definition of transition from external support and sustainability in the health sector</b>            Transition is defined as the period in which Gavi countries gradually assume full responsibility for the financing and procurement of Gavi vaccines. Transitioning was previously called graduation. The current Gavi strategy broadened the definition of sustainability beyond financial to include programmatic sustainability. The vision for sustainability in the eligibility and transition policy is: <i>“when countries transition out of Gavi support, they have successfully expanded their national immunisation programmes with vaccines of public health importance and sustain these vaccines post-transition with high and equitable coverage of target populations, while having robust systems and decision-making processes in place to support the introduction of future vaccines.”</i></p>	
<p><b>Current policies on sustainability and transition from external financing</b>            Policy is set out in the 2015 <b>Eligibility and Transition Policy</b> and the 2015 <b>Co-financing Policy</b>. Countries are eligible for Gavi support if their GNI per capita (averaged over 3 years) is below a set threshold (\$1,580 in 2015).            The policy for <b>sustainability</b> is to build it into all Gavi support from an early stage.</p>	
<p><b>Main agency/organisation approaches adopted to support sustainability and transition</b>            Transition is phased with <b>Phase 1 - preparatory transition</b>: country above World Bank threshold for LIC but below Gavi threshold. Rising co-financing of Gavi-supported vaccines. Transition assessment and develop transition plan. <b>Phase 2 - accelerated transition</b>: above Gavi threshold. Can no longer apply for new Gavi support (some exceptions). Co-financing rises to 100% over 5 years. <b>Phase 3 – fully self-financing</b>: no Gavi funding but the country has access to GAVI/UNICEF prices for vaccines for 5 years. Extra time in phase 1 for countries facing very rapid growth rates.            The approach to sustainability emphasises integrating sustainability in all types of Gavi support, and evolving depending on how close the country is to transition. It recognises the need for funding the primary health system overall, with immunisation built into health plans and budgets.</p>	
<p><b>Key implementation processes and relevant activities</b>            Gavi support should incorporate building sustainable systems, and may address financial sustainability in specified areas (immunisation planning and budgeting; aligning immunisation financing to health financing, resource tracking; and procurement of vaccines). There are plans to monitor progress, using ‘sustainability tracers’ of financing, integration and human capacity.            Transition planning would ideally start with a broad health system financing assessment, followed by transition assessment and planning focussed on the immunisation program. This is happening in Indonesia, PNG and Solomon Islands. The transition plans can adjust Gavi health system support to prepare for transition and there are modest transition grants, mainly for TA.            20 countries are in the accelerated transition phase and due to exit by 2020. Joint work in <b>Ghana</b> is aiming to build on strengths of different partners and lead to a common fiscal space analysis.            Two networks are intended to promote exchange and learning – a vaccine procurement network (run by UNICEF) and a peer learning network for Gavi transition (funded by Gates, managed by R4D).</p>	
<p><b>Useful references</b>            Gavi <i>Eligibility and Transition Policy</i>, 2015 and Gavi <i>Co-financing Policy, version 2.0</i>, 2015.            Gavi <i>Implementation of the 2016-2020 Strategy: Strategic Focus Area on Sustainability</i>, 2016            Kallenberg et al. <i>Gavi’s Transition Policy: Moving from development assistance to domestic financing of immunization programs</i>. Health Affairs, 2016            Saxenian et al. <i>Overcoming challenges to sustainable immunization financing: early experience from Gavi graduating countries</i>. Health Policy and Planning, 2015.</p>	

## German Development Cooperation

April 2017

**Political Lead:** Federal Ministry for Economic Cooperation and Development (BMZ)

**Implementing agencies:** KfW Entwicklungsbank for Financial Cooperation, GIZ for Technical Cooperation

### Definition of transition from external support and sustainability in the health sector

- German Development Cooperation has **no institutional definition for transition** from external financing in the health sector.
- There is **no clear-cut GNI threshold defining eligibility**. Hence countries do not transition from support purely based on their economic performance. With regard to financial cooperation, the more advanced a country is in political and economic terms, the broader the range of financial instruments which Germany can make available.
- Exiting a sector such as health is a **decision taken in partnership** with local partners and embedded in the strategy dialogue between the governments of the partner countries and Germany.
- **Sustainability is a core** issue for programming. Sustainability is one of the five OECD indicators every program is measured against when evaluated. Therefore working towards it is part and parcel of identification, planning, and implementation of every program. However, there is no health specific definition of sustainability of programs.
- There are **no specific tools or standards** pre-defined **to promote sustainability or to prepare exit** from a program or sector however. German implementing agencies always work in close partnership with local authorities and other actors; hence, sustainability planning is defined in collaboration with the government partner and according to the specific context.

### Main organisation approaches adopted to support sustainability and transition

- **Individual projects and programs** are usually closely interlinked and embedded into the partner countries' health sector strategy, i.e. medium-term planning frameworks geared towards achieving the partners' priorities in the health sector. If **exit** from a sector is envisaged, this is agreed with local partners during the planning process at least **two to three years in advance**. Programs are then carefully and jointly designed to facilitate this exit. Defining an exit strategy is part of the final phase of a programme. There is however **no tool or standard for the exit strategy**. In practice the transition from a sector is often "softened" by a phase in which individual projects continue.
- **UHC and health system strengthening** are in the center of German development cooperation in health. Strong systems are the best preparation for transitioning countries to withstand any challenges of transition.
- Germany's technical implementation agency GIZ's core mission is **capacity building at individual, organizational and societal level** by working in partnership with local actors. Every program has to have a "formal" **capacity building strategy**. The development of the CB strategy is guided by GIZ's management tool "*capacity works*" (see references).
- Through KfW Development Bank, Germany is able to support transitioning countries with a **broad range of financial instruments**. While the provision of **grants** continues to play the main role in German financial cooperation in the health sector, (highly) **concessional loans** – incl. **blending instruments** – allow partner countries to finance major investments – required to enhance health sector efficiency as part of the transition process, e.g. – at preferential conditions (see references).

### Key implementation processes and relevant activities

- The most prominent example of **German cooperation leaving** the health sector is **Rwanda**: It has to be said however, that the trigger for this was the division of labour among donors and partners, i.e. the realisation of the Aid Effectiveness Agenda (and hence not the “classic transition-triggers” such as GNI). In 2010, the German Federal Government agreed to the request of the Government of Rwanda to discontinue its support to the health sector by the end of 2012. After the closing of the activities, 30 years of Rwandan – German cooperation in health sector were **reviewed and evaluated** by the independent German Institute for Development Evaluation (Deval) (*see references*).

#### Some practical observations:

- **Open and transparent discussion and close coordination** among donors, technical partners and the government of the partner country is perceived as a key factor for successful transition as in hand-over to other donors/partners or the national system. The strong focus on (individual) results can be obstacle to this.
- It can be a challenge to win **the attention of the government of the partner country** to the forthcoming transition / closing at a **sufficiently early** point in time.
- Review and documentation has been experienced as important elements of transition / phasing out. A **closing procedure** including a formal **closing event** should be planned in collaboration with the leading partners (government and CSO).
- **Tools and products** as well as **documented results** are to **be handed over** to the national partners; the continuation of cooperation as in still being available for questions etc. should be offered/planned for; it can be helpful to engage an **independent consultant / coach** to support the transition / phasing out planning.

#### Useful references

- Evaluation of German-Rwandan Development Cooperation in the Health Sector, <https://www.deval.org/en/evaluation-of-german-rwandan-cooperation.html>
- Health System Strengthening: [http://health.bmz.de/what\\_we\\_do/hss/A\\_Shared\\_vision/HS-HL\\_Joint\\_Vision\\_for\\_HSS\\_towards\\_UHC.PDF](http://health.bmz.de/what_we_do/hss/A_Shared_vision/HS-HL_Joint_Vision_for_HSS_towards_UHC.PDF)
- Cooperation Management for Practitioners – Managing Social Change with Capacity WORKS, <https://www.giz.de/expertise/html/4620.html>
- Overview of KfW financial products, <https://www.kfw-entwicklungsbank.de/International-financing/KfW-Development-Bank/Tasks-and-goals/Unsere-Finanzprodukte/>

**Global Health Advocates (GHA)***15 March 2017***Understanding of transition from external support and sustainability in the health sector**

Global Health Advocates (a partner of the Action Network) does not have a specific definition on transition and sustainability, however, a successful transition would mean the maintenance and scale up of coverage of services after external funding has ended.

**Policy and main approaches to support transition and sustainability**

Transition is a policy priority for GHA. GHA's work is to carry out political advocacy to raise awareness and generate knowledge and debate on issues of transition at the country, regional and global levels.

Additionally, GHA is in the process of building a collaboration of civil society organisations (CSOs) interested in transition issues related to GF, Gavi, GFF, polio elimination through which civil society can coordinate work to feed into the UHC 2030 Sustainability and Transition Working Group.

**Relevant activities**Country level work

- A focus on capacity building of CSOs to understand global health partnerships' and bi- and multi-lateral agencies' policies and processes on transition, and the implications and potential impact on countries. E.g. in 2016 the ACTION partnership organized a Transition and Co-Financing Workshop to train civil society groups in countries that will transition out of multilateral assistance programs, focusing especially on GAVI assistance. Participants included NGOs from Pakistan, Bangladesh, Nepal, Uzbekistan, Laos, Vietnam, Thailand and Korea.
- Case studies are planned that will explore the budgetary, programmatic and legal impacts of transitions and how these relate to health systems. The ACTION partnership will develop a transition paper based on the different case studies and GHA will undertake the case study in Côte d'Ivoire.

Regional work

- A focus on building political engagement and awareness of transition and its impacts with regional actors such as the European Union, the African Union, regional development banks and other political and economic bodies.
- GHA coordinates the TB Europe Coalition and through this entity, the regional advocacy strategy on transition and health system reforms funded through the GF TB Regional Grant. Work is underway to develop country by country advocacy plans regarding transition.
- GHA led the drafting of a paper written by the TB Europe Coalition on challenges and solutions to transition in the Eastern Europe and Central Asia region based on experiences from Ukraine, Croatia, Romania, Azerbaijan and Kyrgyzstan.

Global level

- Focuses on advocating for coordinated and collective action by donors and global agencies for successful transitions. Work thus far includes the publication of an article for the Global Health Observatory of IRIS (Strategic and International Relations Institute) on the issue of coordinated action, and the development of a synthesis note to help raise awareness and understanding of GAVI, GF, PEPFAR and IDA eligibility policies and transition frameworks and to assess the budget impact of simultaneous donor transition on an Africa country.

**Useful references**

GHA France (2016) Briefing paper: Countries facing simultaneous transitions from donor support. An analysis of eligibility and transition policies of global health initiatives (GAVI, GF, PEPFAR, IDA)

<http://www.ghadvocates.eu/wp-content/uploads/2016/07/SIMULTANEOUS-TRANSITION-FROM-DONOR-SUPPORT-IN-HEALTH-BRIEFING-PAPER-2016-Pub.pdf>

TB Europe Coalition Position Paper: Transitioning from donor support HIV and TB programmes in Eastern Europe and Central Asia: Challenges and effective solutions

[www.tbcoalition.eu/wp-content/uploads/2016/05/TBEC-Position-Paper-Transitioning-from-donor-support-HIVTB-programmes-in-EECA.pdf](http://www.tbcoalition.eu/wp-content/uploads/2016/05/TBEC-Position-Paper-Transitioning-from-donor-support-HIVTB-programmes-in-EECA.pdf)

Rivalan B (2016) La réussite des transitions ou comment mesurer l'action collective en santé mondiale

<http://www.iris-france.org/wp-content/uploads/2016/09/Observatoire-sant%C3%A9-Mesure-action-coll->

sept-2016.pdf

15 March 2017

## The Global Fund (GF)

### Definition of transition from external support and sustainability in the health sector

The GF has clear definitions of sustainability and transition, which are laid out in the STC Policy.

- *Sustainability* is the ability of a health program or country to both maintain and scale up service coverage to a level, in line with epidemiological context, that will provide for continuing control of a public health problem and support efforts for elimination of the three diseases, even after the removal of external funding by the GF and other major external donors.
- *Transition* is the mechanism by which a country, or a country-component, moves towards fully funding and implementing its health programs independent of GF support while continuing to sustain the gains and scaling up as appropriate. In line with this definition, the GF considers a transition to have been successful where national health programs can at least maintain and preferably improve equitable coverage and uptake of services through resilient and sustainable systems for health (RSSH) even after GF support has ended.

### Current policies on sustainability and transition from GF funding

The Global Fund Sustainability, Transition and Co-Financing Policy (STC) was approved in mid-2016 and comprises three themes which together are expected to support long term sustainability of health systems and disease programs. The STC policy supports the GF Strategy 2017-2022, which places a strong emphasis on strengthening domestic financing of health systems and disease programs, supporting sustainable epidemic control, and supporting successful transitions away from GF grant funding.

While the GF eligibility policy is separate from the STC policy, it is one of the key criteria that determine timelines for the Global Fund transition processes. GF eligibility is based on income level / classification (as determined by the World Bank income group thresholds) and burden of disease metrics for the three diseases. In 2016, with the objective of facilitating gradual transitions and increasing predictability, the policy was amended to use a three-year average of GNI per capita of the latest available data (World Bank, Atlas Method) when determining countries' income group classifications. Based on current eligibility criteria, disease components become ineligible for funding if: 1) A country moves to high-income status; 2) A country moves to upper-middle income (UMI) status and the disease burden for a component is low or moderate<sup>1</sup>; 3) In a country classified as UMI, the disease burden decreases to low or moderate burden; 4) If a country that is a member of the Group of 20 (G20) moves to UMI status, and the disease burden for a component is less than extreme; 5) A country becomes a member of the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC). Once a country component becomes ineligible for funding, under the STC policy the country *may be eligible* for up to three years of transition funding to support transition away from Global Fund financing.

While countries completely transition (i.e. receive no more Global Fund support) due mainly to changes in their eligibility status, it is important to note that declines in country allocation can affect country planning several allocation cycles prior to full "transition" from the Global Fund financing. To this end, the STC Policy stresses that early planning is essential to success. In this regard, all UMI countries (regardless of disease burden) and LMI countries (with low or moderate disease burden) are encouraged under the STC Policy to proactively plan for transition and strengthen transition preparedness as early as possible.

### Organisation approaches adopted to support sustainability and transition

There are four principles underpinning the STC Policy.

- *Differentiation*: The policy is premised on the idea that sustainability planning should be a focus of all countries regardless of where they are on the development continuum. However, the specific requirements of the policy are differentiated based on a country's income status and disease burden. As they move along the development continuum, co-financing requirements become more targeted and specific, and countries are encouraged to accelerate their planning for transition.
- *Alignment*: Countries are expected to, as relevant and possible, align their funding requests with national strategies (disease and health strategies) and increasingly align program design with the use of national systems, including greater integration of parallel systems (e.g. in HMIS, PSM).

<sup>1</sup> Specific criteria and details on disease metrics available in detailed eligibility policy;

- *Predictability:* The STC Policy recognises that successful transitions are processes that require considerable preparation time, planning and resources to support the transition process. Once a country becomes ineligible for GF funding, they may be eligible for up to three years of “transition funding” to support the transition process. In addition, to enhance predictability, the Global Fund has recently published a “Transition Projections” document, designed to provide countries with more information on when they may transition from Global Fund financing.
- *Flexibility:* The STC Policy recognizes that a country’s specific epidemiological and financial context will impact sustainability and transition, and builds in both differentiated approaches to countries along the development continuum, as well as certain flexibilities. For example, countries that are considered Challenging Operating Environments (COEs) may be eligible for additional flexibilities under the STC Policy. Co-financing requirements are also tailored depending on a country’s income classification and disease burden, and may be adapted based on a variety of contextual considerations.

#### **Key implementation processes and related activities**

*Sustainability Planning:* The policy encourages all countries to focus on long term sustainability planning and to integrate sustainability into program design and implementation from an early stage. While this will differ based on country context, there are five core aspects to this planning: 1) strengthening national strategic plans, 2) developing health financing strategies, 3) aligning with national systems, 4) identifying efficiencies/optimisation of responses and, 5) increasing domestic financing of national diseases responses, health systems, and interventions currently financed by the GF.

*Transition Preparedness:* For LMIC with low/moderate disease burden and UMIC, and for those projected to transition, a focus is placed on implementing the five aspects of sustainability mentioned above, plus preparedness measures, which include: 1) development of Transition Preparedness Assessments (TPAs) and the preparation of transition strategies and workplans; 2) progressive and accelerated government financing of key interventions; 3) enhanced focus on key populations and structural barriers to health; 4) enhanced focus in Global Fund grants on addressing sustainability and transition gaps, including contracting of non-state actors, strengthening M&E and procurement systems; and 5) reducing dependence on Global Fund financing for key interventions. As part of this planning, Transition Readiness Assessments (TRAs) provide a more systematic understanding of transition challenges for countries. The Global Fund has currently developed two tools for HIV and TB to support these analyses, including a tool used primary for Eastern Europe and an adapted version currently being piloted in Latin America. In addition, the Global Fund encourages countries to work closely with other partners to leverage their sustainability and transition tools and expertise.

*Co-financing:* The STC Policy includes an adapted co-financing policy. There are two core requirements of the STC Policy that are required for countries to access the full Global Fund allocation: 1) Progressive government expenditure on health to meet national universal health coverage (UHC) goals; and 2) Increasing co-financing of Global Fund supported programs, focused on progressively taking up key costs of national disease plans. Additionally, at least 15% of the Global Fund allocation (but up to 30 % in some countries) is available to countries when they make and realize additional government commitments to health systems and disease programs. These additional commitments are differentiated based on income status. They are generally focused on RSSH investments at the lower end of the development continuum, and more targeted toward disease programs, key populations, and transition and sustainability priorities as countries move along development continuum. For low-income countries, additional investments must be equal to at least 50% of the total co-financing incentive. For middle-income countries, additional investments must be equal to at least 100% of the co-financing incentive. While these are the minimum requirements, countries are strongly encouraged to make commitments in line with their national disease plans and the global targets.

#### **Previous and current related activities**

- Evaluations/Sustainability Reviews commissioned by the TERG in 2013 and 2015 looking at country experiences of transition in 3 and 9 countries, respectively
- GF support to Ministries of Finance through OECD ‘Senior Budget Officials’ networks to undertake fiscal space analysis and fiscal sustainability plans in priority countries, and ongoing support to countries for the

development of health financing strategies

- Establishment of a STC Team to strengthen internal organization, accelerate the implementation of the STC Policy, and support Country Teams
- Updating of Transition Readiness Assessment to include a social contracting tool
- Transition Application and Guidance Notes developed (Tailored Transition Funding Request application and review modality; Guidance Note: Sustainability, Transition and Co-financing of Programs supported by the GF).
- Potential development of a STC training program to capacity of key stakeholders
- Significant efforts to strengthen transition planning with partners, to leverage expertise and minimize duplication

#### Useful references

*GF Strategy 2017-22* [http://www.theglobalfund.org/documents/board/35/BM35\\_02-](http://www.theglobalfund.org/documents/board/35/BM35_02-TheGlobalFundStrategy2017-2022InvestingToEndEpidemics_Report_en/)

[TheGlobalFundStrategy2017-2022InvestingToEndEpidemics\\_Report\\_en/](http://www.theglobalfund.org/documents/board/35/BM35_02-TheGlobalFundStrategy2017-2022InvestingToEndEpidemics_Report_en/)

*GF STC Policy* [http://www.theglobalfund.org/documents/board/35/BM35\\_04-](http://www.theglobalfund.org/documents/board/35/BM35_04-SustainabilityTransitionAndCoFinancing_Policy_en/)

[SustainabilityTransitionAndCoFinancing\\_Policy\\_en/](http://www.theglobalfund.org/documents/board/35/BM35_04-SustainabilityTransitionAndCoFinancing_Policy_en/)

*GF Sustainability and Transition Guidance Note*

[http://www.theglobalfund.org/documents/core/infonotes/Core\\_SustainabilityAndTransition\\_GuidanceNote\\_en](http://www.theglobalfund.org/documents/core/infonotes/Core_SustainabilityAndTransition_GuidanceNote_en)

*GF Eligibility and Co-financing policy*

[http://www.theglobalfund.org/documents/core/eligibility/Core\\_EligibilityAndCounterpartFinancing\\_Policy\\_en/](http://www.theglobalfund.org/documents/core/eligibility/Core_EligibilityAndCounterpartFinancing_Policy_en/)

*GF Eligible countries and projected transitions*

[http://www.theglobalfund.org/documents/core/eligibility/Core\\_EligibleCountries2017\\_List\\_en/](http://www.theglobalfund.org/documents/core/eligibility/Core_EligibleCountries2017_List_en/)

[http://www.theglobalfund.org/documents/core/eligibility/Core\\_ProjectedTransitions2016\\_List\\_en/](http://www.theglobalfund.org/documents/core/eligibility/Core_ProjectedTransitions2016_List_en/)

*Equitable Access Initiative Report* [www.theglobalfund.org/en/equitableaccessinitiative](http://www.theglobalfund.org/en/equitableaccessinitiative)

*Development Continuum Report*

[http://www.theglobalfund.org/documents/board/33/BM33\\_DevelopmentContinuumWorkingGroup\\_Report\\_en/](http://www.theglobalfund.org/documents/board/33/BM33_DevelopmentContinuumWorkingGroup_Report_en/)

*TERG Sustainability Review 2013*

[http://www.theglobalfund.org/documents/terg/evaluation\\_2013-2014/TERG\\_Evaluation2013-](http://www.theglobalfund.org/documents/terg/evaluation_2013-2014/TERG_Evaluation2013-2014ThematicReviewGFSustainabilityReview_Report_en/)

[2014ThematicReviewGFSustainabilityReview\\_Report\\_en/](http://www.theglobalfund.org/documents/terg/evaluation_2013-2014/TERG_Evaluation2013-2014ThematicReviewGFSustainabilityReview_Report_en/)

**Global Health and Development Group (GHD), Imperial College London / The international Decision Support Initiative (iDSI)**  
*30 March 2017*

**Agency definition of transition from external support and sustainability in the health sector**

The Global Health and Development Group (GHD) is based within the Centre for Health Policy, Institute of Global Health Innovation, Imperial College London. GHD leads on the international Decision Support Initiative (iDSI), a global network of academic institutes, government agencies and think-tanks, which supports low and middle income countries to get more health and better value for money for every dollar spent. iDSI includes Center for Global Development (CGD), Thailand’s Health Intervention and Technology Assessment Program (HITAP) and Priority Cost Effective Lessons for System Strengthening South Africa (PRICELESS SA)– [www.idsihealth.org](http://www.idsihealth.org)

iDSI takes the view that success in transitioning from aid and health system strengthening relies on building capacity for evidence-informed health policy with a focus on developing procedurally fair (and locally legitimate) decision making processes to support health benefit package development and formulary design.

The sustainability of health services following the transition from external support will critically depend on making unavoidable priority setting decisions which should be informed by the best available evidence of effectiveness and cost-effectiveness, taking into account the local context and social values, and domestic health sector objectives.

Achieving a financially sustainable and equitable health sector requires building on existing priority setting institutional frameworks, and incorporating a number of procedural markers of international best practice and good governance including transparency, stakeholder involvement, public engagement and consultation. Such frameworks are invaluable for informed implementation of a balanced scheme of vertical-horizontal interventional programs, as well as laying foundation for a country’s progress towards post-grant transition phases.

**Main approaches adopted to support sustainability and transition**

In all the work of iDSI, the emphasis is on supporting the development of systematic, fair and evidence informed priority-setting processes, as a means to creating a sustainable in-country health sector, particularly in the context of global ambitions for Universal Health Coverage (UHC). iDSI works through hands-on problem solving approach, tackling specific questions on improving care quality (e.g. care pathways for maternal care and NCDs), and on pricing and coverage of individual technologies (e.g. dialysis modalities and anti-hypertensive drugs). Additionally it offers training in evidence synthesis and economic evaluation and advice on the establishment of Health Technology Assessments (HTA) mechanisms including legal, budgetary, and human resource implications. Further, through engaging with key global donors, iDSI highlights the role of HTAs and other priority setting tools, in providing guidance on the relative priority of health interventions currently subsidized by organisations such as the Global Fund, as a means to also support the country transition from aid dependence. iDSI also produces global public goods such as the CGD led Guide to Benefits Package design for UHC, which serves as an educational material as well as a policy development tool.

### Key implementation processes and relevant activities

iDSI is funded by the Bill & Melinda Gates Foundation (BMGF), Department for International Development (DFID), and the Rockefeller Foundation (RF).

Key ongoing projects include:

Delivering **practical support to the Indonesian Ministry of Health** as it reforms its health service. A key objective of the ongoing engagement is to **strengthen national institutions and processes, such as the National Health Technology Assessment (HTA) committee** established by Ministry of Health decree in 2014, in order to improve critical policy decision making and thereby population health. Through working with iDSI core partner the HITAP, key outputs to date include the development of a number of HTA reports that include assessments of cost-effectiveness based on locally relevant economic models; study tours for high level decision makers interested in institutionalising HTA; HTA training events for in-country stakeholders involved in the commissioning and development of HTAs; and input into the methods and processes used by the HTA committee.

iDSI core partner PRICELESS-SA is leading on work exploring existing and potential capacities for **a national HTA function in South Africa**, and developing a mechanism to provide **HTA support for neighbouring sub-Saharan African countries (SSA)**. A series of strategic recommendations produced by PRICELESS in 2016 for a priority setting institution in South Africa, has led to a direct request from the Ministerial Work stream on Health Benefit Packages (HBP) design for PRICELESS to potentially ‘incubate’ an HTA unit in the short term, while the organisational arrangements and future location of any HTA function is further developed in 2017. PRICELESS has also led on a number of bilateral activities in SSA, including support for medicine selection for the National Essential Medicines List in Tanzania.

At the direct request of the **government of India**, iDSI is providing **hands-on, technical support to policy and decision makers** to engage in more effective allocation of health resources through implementing a system of HTA in India. This mandate to establish an effective system of HTA through the creation of a medical technology advisory board (MTAB), was allocated to the Department of Health Research (DHR) in the 12<sup>th</sup> 5 year plan with the intention to improve the availability, quality, and affordability of health services.

### Useful references

*Priority-Setting in Health Building institutions for smarter public spending (2012).*

A report of the Center for Global Development’s Priority-Setting Institutions for Global Health Working Group. (Amanda Glassman and Kalipso Chalkidou, Co-chairs). This report led to the creation of the International Decision Support Initiative (iDSI), which was launched by NICE International and partners in 2013 to support low and middle-income governments and donors in making resource allocation decisions for healthcare.

*Teerawattananon et al. Health technology assessments as a mechanism for increased value for money: recommendations to the Global Fund. Globalization and Health 2013, 9:35*

<http://globalizationandhealth.biomedcentral.com/articles/10.1186/1744-8603-9-35>

*Kanpirom K, Luz ACG, Chalkidou K, Teerawattananon Y. How should global fund use value-for money information to sustain its investments in graduating countries? Int J Health Policy Manag. 2017;6(x):x–x. doi:10.15171/ijhpm.2017.25*



<p><b>Japan International Cooperation Agency (JICA) 17 March 2017</b></p>
<p><b>Agency definition of transition from external support and sustainability in the health sector</b> Japan provides ODA to countries on the DAC list of ODA recipients. Transitional countries for Japanese ODA means countries which have become high income countries and have left the DAC list within the last three years.</p>
<p><b>Current policies on sustainability and transition from external financing</b> Although there is no clear agency strategy for transition, Japan has been providing international cooperation with a strong emphasis on sustainability.</p>
<p><b>Main agency/organisation approaches adopted to support sustainability and transition</b> JICA, as implementing agency of Japanese ODA, supports developing countries through a flexible combination of various types of assistance methods such as financial cooperation (grants/loans) and technical cooperation according to the countries' needs and situation.</p> <p>Through its technical cooperation, JICA supports human resource development and institutional development to enhance problem-solving capabilities in the country to ensure sustainability of the activities.</p> <p>When deciding the modality and contents of assistance, bilateral diplomatic relations are also considered, in addition to the countries' development needs and situation.</p> <p>With high income countries or upper middle income countries, JICA has introduced a scheme of technical cooperation on a cost-sharing basis. Technical Cooperation on a Cost-Sharing Basis is technical cooperation whose cost (all or most) is borne by a partner country.</p> <p>Additionally, Japan takes an approach of mutual learning from each other in an equal partnership, especially with MICs on topics such as ageing population and universal health coverage.</p>
<p><b>Key implementation processes and relevant activities</b></p> <p>(1) <i>Technical Cooperation</i>: Technical cooperation supports the development of human resources that will promote socioeconomic development in developing countries, the improvement of technical standards, and the establishment of administrative systems by utilizing the knowledge, experience, and technologies of Japan.</p> <p>(2) <i>Grants</i>: Grants provide funds to developing countries with low income levels without the obligation of repayment.</p> <p>(3) <i>Loan Aid</i>: ODA Loans support developing countries above a certain income level by providing low-interest, long-term, and concessional funds to develop chiefly the area of socioeconomic infrastructure. Terms and conditions of ODA Loan differ according to the countries' income category.</p> <p>Technical Cooperation on a Cost-Sharing Basis (hereinafter referred to as "T/C-CS") provides following four (4) different types of assistance for T/C-CS. The partner country and JICA discuss which is best fit to solve development challenges in the partner country. 1. Individual Technical Cooperation (Training) 2. Individual Technical Cooperation (Expert) 3. Technical Cooperation Project 4. Technical Cooperation for Development Planning</p> <p>The partner country will bear all or most of expenses necessary for implementing T/C-CS, and this does not include what JICA will bear by itself (such as, salary for JICA staff and expenses for monitoring missions by JICA). Before T/C-CS starts, the partner country pays estimated amount of the expenses to the designated JICA account.</p>
<p><b>Useful references</b></p> <p><a href="https://www.jica.go.jp/english/our_work/types_of_assistance/oda_loans/standard/index.html">https://www.jica.go.jp/english/our_work/types_of_assistance/oda_loans/standard/index.html</a> JICA Annual Report 2016 <a href="https://www.jica.go.jp/english/publications/reports/annual/2016/index.html">https://www.jica.go.jp/english/publications/reports/annual/2016/index.html</a> <a href="http://www.mofa.go.jp/policy/oda/assistance/country2.html">Japan's ODA Country Assistance Policy for Respective Countries</a> <a href="http://www.mofa.go.jp/policy/oda/assistance/country2.html">http://www.mofa.go.jp/policy/oda/assistance/country2.html</a></p>

**Johns Hopkins University School of Public Health (JHUSPH)****Understanding of transition from external support and sustainability in the health sector**

JHUSPH doesn't have a specific definition of transition from external support and recognises there are several diverse definitions in use. The website does, however, outline an understanding of programmatic transition – 'the process by which a public health program that is externally supported by donors is transferred to local recipients can have significant implications for sustainability. When done thoughtfully, transition has the potential to address local ownership, mobilize resources, clarify roles and responsibilities, and maintain the successes of health programs—all of which are key concerns as donor funding for specific public health programs in developing countries declines. During programmatic transition, the transfer of responsibilities can occur at many levels, including financial, managerial and leadership. Programmatic transition varies in scope from programs that are well-integrated into local health systems to fully parallel delivery systems' <http://www.jhsph.edu/departments/international-health/research/Programmatic-Transition/>.

**Main organisation approaches to support transition and sustainability**

JHSPH undertakes empirical research and conceptual thinking to generate knowledge and inform policy and practice regarding the management and implementation of different transition processes in the health sector.

**Key implementation processes and relevant activities**Measurement and evaluation of programmatic transition

- Developing transition readiness and institutionalisation methodologies and indicators
- Developing transition M&E frameworks and logic models
- Evaluation design and implementation of programmatic transition. JHU designed and implemented a multi-phase prospective evaluation of the Avahan HIV Prevention Program in India. The evaluation followed the process of transitioned funding, oversight, management, implementation and service interventions from BMGF's implementing partners to the National AIDS Control Program.

Knowledge sharing

Seminars, workshops, briefs, peer reviewed articles have shared knowledge and thinking of different programmatic transitions in different contexts. Examples of transition

- Lessons from the evaluation of the Avahan Transition Evaluation of transitioning a large-scale HIV/AIDS prevention program to local stakeholders.
- The experience and lessons learned from Latin American countries graduating USAID family planning funding and their application to the GAVI transition process.
- The experience of countries in receipt of 'transition planning' support from GAVI (Bhutan, Republic of Congo, Georgia, Moldova and Mongolia) including the identification of financial, procurement, regulatory and capacity challenges and lessons learned of moving to national self-sufficiency.
- The experience of transitioning large vertical programs, resources and assets (such as Polio Eradication programs into routine immunisation services in Nigeria and Pakistan).
- Policy briefs developed on capacity development and learning aspects of programmatic transition.
- Recent journal article written on political commitment for key populations during donor transitions.

**Useful references**Country experiences and lessons learned

<https://academic.oup.com/heapol/article/30/6/687/732489/Applying-lessons-learned-from-the-USAID-family>

<https://academic.oup.com/heapol/article/30/2/197/622945/Overcoming-challenges-to-sustainable-immunization?keytype=ref&ijkey=DzqqqZn7zkXqNVt>

Monitoring and evaluation of transition programs

<http://www.sciencedirect.com/science/article/pii/S0149718915000622>

<http://www.ghspjournal.org/content/3/4/591>

Generating political commitment and transition <http://dx.doi.org/10.2471/BLT.16.179861>

Policy Briefs

<http://www.jhsph.edu/departments/international-health/research/Programmatic-Transition/R4D-JHU-Seminar-Brief-Capacity-Building-Learning.pdf>



<p><b>London School of Hygiene and Tropical Medicine (LSHTM) / RESYST Consortium</b></p> <p style="text-align: right;"><i>20 March 2017</i></p>
<p><b>Agency definition of transition from external support and sustainability in the health sector</b></p> <p>There is not an institutional definition of transition or sustainability and no specific work programme on transition.</p>
<p><b>Main approaches adopted to support sustainability and transition</b></p> <p>RESYST (Resilient and Responsive Health Systems) is an international research consortium that aims to enhance the resilience and responsiveness of health systems to promote health and health equity and reduce poverty. The consortium conducts research in Asia and Africa, with partners in India, Kenya, Nigeria, South Africa, Tanzania, Thailand and Vietnam as well as the LSHTM. The research focuses on three main themes: health financing, health workforce and governance.</p> <p>Other work on the topic of sustainable financing and external support also takes place through other research programs and PhD projects.</p>
<p><b>Key implementation processes and relevant activities</b> include:</p> <p>Work on sustainable financing and domestic resource mobilisation for health, includes:</p> <ul style="list-style-type: none"> <li>• how to include the informal sector in health service coverage and financial protection</li> <li>• Ministry of Finance attitudes to increasing budget allocations to health</li> <li>• Work on sustainability and scalability of pay for performance funding in Tanzania.</li> <li>• Strategic purchasing to drive equity, quality and sustainability, and links to budgeting</li> <li>• Scope for engaging other sectors in funding HIV treatment, since it benefits the sector</li> </ul> <p>Other research includes</p> <ul style="list-style-type: none"> <li>• Case study on fungibility of aid for health in Tanzania and the implications.</li> <li>• Resource tracking of development assistance for reproductive, maternal, newborn and child health, using OECD DAC data, from 2003 to 2013.</li> </ul>
<p><b>Useful references</b></p> <p>Policy Brief 2015. <i>Raising domestic resources for health: can tax revenue help fund Universal Health Coverage?</i> <a href="http://resyst.lshtm.ac.uk/resources/tax-brief">http://resyst.lshtm.ac.uk/resources/tax-brief</a></p> <p>Strategic purchasing studies <a href="http://resyst.lshtm.ac.uk/research-projects/purchasing">http://resyst.lshtm.ac.uk/research-projects/purchasing</a></p> <p>Covering the informal sector – brief and working papers. <a href="http://resyst.lshtm.ac.uk/research-projects/covering-informal-sector">http://resyst.lshtm.ac.uk/research-projects/covering-informal-sector</a></p> <p>Grollman et al, 2017. <i>11 years of tracking aid to RMNCH: estimates and analysis for 2003–13 from the Countdown to 2015</i>. Lancet Global Health, Jan 2017.</p> <p>Martinez Alvarez et al. <i>Is Development Assistance for Health fungible?</i> SSM, 2016.</p> <p>Remme et al. Financing the HIV response in sub-Saharan Africa: moving beyond a normative approach. SSM, 2016</p>

<p><b>National Centre for Global Health and Medicine, Japan (NCGM)</b> 17 March 2016</p>
<p><b>Organisation definition of transition from external support and sustainability in the health sector</b> No indication that there are definitions of transition from external support and sustainability.</p>
<p><b>Current policies on sustainability and transition from external financing</b> No specific policies but the technical co-operation work undertaken by NCGM focuses on health sector wide approaches and health systems strengthening – important foundations for transition and sustainability.</p>
<p><b>Main agency/organisation approaches adopted to support sustainability and transition</b> Through technical co-operation, NCGM fosters Ministry of Health (MOH) ownership and strengthens capacity for developing sector-wide approaches to health, which is imperative for transition.</p>
<p><b>Key implementation processes and relevant activities</b></p> <p><i>Supporting sector-wide approaches in health:</i> NCGM assisted Lao MOH in moving from project-based HSS to program-based health systems through JICA's technical cooperation (Phase 1 and Phase 2) from August 2006 to March 2016. This involved the development of a single policy framework and a single operational framework like an annual comprehensive operational plan that covers all programs of the ministry. NCGM also supported the MOH in their M&amp;E system and tools for the comprehensive annual operational plan.</p> <p><i>Human workforce regulatory system:</i> NCGM supports MOHs (e.g. Cambodia and Lao) develop a health workforce regulatory system which is based on Japanese experience. The rationale for this work is to help countries move away from the many uncoordinated in-service training and supervisions supported by external assistance. This can support countries in transition from external financing by assuring quality health work forces through the development of a health workforce regulatory system such as licensing and registration.</p> <p><i>South-south cooperation:</i> Network of MOH middle level managers for effective policy implementation of human resource management in Francophone African countries, sharing country experiences and communication proved to be effective for resource mobilization in case of Ebola outbreak in a region with limited resources.</p>
<p><b>Useful references</b></p> <p>Hidechica Akashi, et al, Human resource for health development: toward realizing Universal Health Coverage in Japan. <a href="#">Biosci Trends</a>. 2015 Oct;9(5):275-9. doi: 10.5582/bst.2015.01125.)</p> <p>K. Koto-Shimada, N. Fujita and et al, Building the capacity of nursing professionals in Cambodia: Insights from a bridging program for faculty development. <i>International Journal of Nursing Practice</i> 2016; 22 (Supple.1), 22-30</p> <p>Lao MOH-JICA Technical Cooperation Capacity Development for Sector-wide Coordination in Health 2016 (slide set)</p> <p>Department of Planning and International Cooperation, Ministry of Health, Lao PDR 2016 Manual of Annual Planning, Monitoring, and Reporting in the Health Sector for Central Level</p> <p>N Fujita, et al. The Role of a Network of Human Resources for Health Managers in Supporting Leadership for Health Systems Strengthening in Francophone African Countries. <i>J Health Systems &amp; Reform</i>. Volume 2, 2016 - Issue 3 254-264</p>

<b>Results for Development (R4D)</b>	<i>16 March 2017</i>
<p><b>Agency definition of transition from external support and sustainability in the health sector</b>  R4D sees transition as a long-term process by which countries take on the financial and technical burden of externally supported programs. This should be holistic for the country, including transitions from different programs and funding sources, and should be monitored throughout.</p> <p>R4D defines financial sustainability as the ability to ensure that sufficient resources are available within the macroeconomic and fiscal realities of a country, that those resources are used equitably and efficiently, and that they can be accounted for against health sector objectives. Achieving financial sustainability requires an understanding that:</p> <ul style="list-style-type: none"> <li>• Existing country systems, capacity, processes, and policy objectives must be the basis for a sustainable transition that puts the country in the driver's seat from the start; and</li> <li>• Strong country systems for budget planning, execution, and monitoring, at all levels, are inherent to sustainable financing and transition.</li> </ul>	
<p><b>Main approaches adopted to support sustainability and transition</b>  R4D emphasises the importance of ensuring transition planning is country led, holistic across the health sector, embedded in the government PFM system, and centred on government revenue. Most (but not all) of R4D's work focuses on the financial aspects of transition.</p>	
<p><b>Key implementation processes and relevant activities</b> include:  Working Paper reviewed different <b>tools for assessing program readiness for transition</b>, including tools used by GAVI, GF, PEPFAR and USAID. Suggests considering common scope of assessments, learning from each other and evaluating their role in successful and less successful transitions.</p> <p>Process and guide for <b>aligning PFM with health financing</b>, a new tool developed with WHO for assessing health financing systems at country level (broader than transition from aid).</p> <p>Application of the R4D sustainability and transitions approach to <b>Tanzania</b> (ongoing) and <b>Kenya</b> (2017), funded by Global Fund. This will include work with relevant ministries to qualitatively assess fiscal space and develop sustainability scenarios (particularly for HIV, TB and malaria). Work starting in <b>Ghana</b> to help MOH with analysis of needs across funding sources, involving all donors.</p> <p>Work in <b>South Africa</b> and <b>Vietnam</b> on whether and how HIV financing could be incorporated into other health financing mechanisms.</p> <p><b>Peer Learning Platform for GAVI Transitioning Countries</b> – an initiative being launched in 2017 with funds from Gates Foundation and GAVI, coordinated by R4D and regional partners (TBD). The aim is to improve likelihood of successful transition by convening countries and partners to address transition issues. Like the JLN for UHC, with joint work on issues identified by countries.</p> <p>New <b>Accountable Health Financing Solutions Program</b> funded by USAID - regional joint learning and knowledge generation to advance UHC in Sub Saharan Africa. Intend to engage relevant national stakeholders in dialogue to develop policies for UHC, starting with health financing as an entry point. Using joint learning approaches to identify topics and learn across countries.</p>	
<p><b>Useful references</b>  Cashin et al. <i>Aligning PFM and health financing: sustaining progress toward UHC</i>. 2017.  R4D discussion paper for Global Fund. <i>Improving Value for Money by the Global Fund and its Recipients through Better Use of Health Technology Assessment</i>. 2016  R4D. <i>Immunization Financing: A resource guide for advocates, policymakers, and program managers</i>. 2017</p>	

**UNAIDS and the Economic Reference Group (ERG)***15 March 2017***Agency definition of transition from external support and sustainability in the health sector**

There is no explicit definition in use. The Economic Reference Group's Technical Working Group on Sustainable Financing Background Paper understands financing transition to be 'the process of increasingly transferring the ownership of the AIDS response from donors to countries. This requires the adaptation and harmonisation of donor implementation frameworks to country systems, aligning with annual budget cycles, medium and long term planning processes and expenditure tracking systems and country led strategies'.

**Main agency approaches adopted to support transition and sustainability**

The ERG was funded by the BMGF and co-chaired by the World Bank and UNAIDS to generate knowledge, strategic analysis and provide advice on the economics of AIDS to UNAIDS and key stakeholders/decision makers. Three technical working groups (TWG) were established related to financial and programmatic sustainability and transition of AIDS responses - programme costing and technical efficiency; HIV allocative efficiency and programme effectiveness; sustainable financing and resource tracking. The latter TWG has had a more specific focus on transition issues and identified four domains of financial sustainability with associated research and policy priorities

- i) Issues of 'fair share' and global solidarity
- ii) Expanding international and domestic revenue mobilisation
- iii) Integrating AIDS financing into national health financing mechanisms
- iv) Planning transition to domestic funding and programming drawing on case studies from PEPFAR transition in South Africa and the Avahan HIV Prevention program in India.

UNAIDS, under the auspices of the ERG TWG on sustainable financing, works closely with the GF and USAID/PEPFAR to support financial and programmatic transition. Key approaches include supporting country transition readiness assessments and planning, exploring programmatic issues such as social contracting, public financial management and efficient financial flows and sources of finances in the future.

**Key implementation processes and relevant activities**

Tool development to contribute to smooth and effective financial and programmatic transition

- Guiding principles for Compact development: donor-country compacts for sustainable financing for the HIV and AIDS response. Reviews GF, PEPFAR, World Bank, IHP+ and MCC compacts to develop initial guiding principles. Tool focuses on key features of a compact – duration, actors involved, financial target setting and tracking, monitoring and evaluation.
- Guidance tool for countries developing AIDS sustainable financing plans: This guidance outlines practical approaches and tools for countries with significant HIV programmes to address whether growth in their economies, and the prospect of increasing domestic resources for HIV, offset the expected decline in donor resources. Used for desk based fiscal space analysis for 33 UNAIDS Fast Track countries

Country Transition Preparedness Assessments using the Curatio Foundation International Transition Preparedness Assessment Framework developed for the GF. UNAIDS funds the assessments for GF HIV transition and works closely with the GF and USAID/PEPFAR to facilitate and coordinate the assessments with all relevant national stakeholders.

Countries readiness assessments have been undertaken in Armenia, Moldova, Uzbekistan, Kyrgyzstan (joint HIV- TB), the Philippines (HIV), Jamaica (HIV), Morocco (HIV-TB) and further assessments are planned in Guyana, Namibia, Cambodia, Vietnam, Botswana.

Social contracting UNAIDS is collaborating with the GF and USAID/PEPFAR to deepen understanding of social contracting. A social contracting tool developed by APMG with GF support will guide countries to examine whether civil society organizations are legally permitted to register, receive funds from government, and use those funds to meaningfully contribute to HIV, TB and malaria responses,

particularly among key populations at risk. Pilots are underway e.g. in Jamaica, regional Eastern Europe and Central Asia, Morocco.

Public Financial Management assessment guide developed by WHO will be used by UNAIDS to identify and address the bottlenecks for social contracting as well as introduce efficiency incentives in the financial flows for HIV/AIDS in countries where transition assessments and plans will be developed.

There is joined up working in some countries. For example, USAID will finance the application of the social contracting tool and transition planning process in Jamaica using the same structure that was set up to oversee the transition assessment supported by UNAIDS. Different tools to be used for the assessment and planning are discussed among coordinating partners and shared with countries for their adoption to country contexts.

### **Useful references**

TWG Background or working papers

ERG: Technical Working Group for Financial Sustainability. Background briefing paper, Nov 25-26, 2013

Integration of HIV financing into Health Financing Systems in Low- and Middle Income Countries:

Conceptual Framework and Preliminary Findings <http://hiv->

[erg.org/publications/sf/integration\\_financing.pdf](http://hiv-erg.org/publications/sf/integration_financing.pdf)

Tools developed

Guiding principles for Compact Development: Donor-Country Compacts for Sustainable Financing for the HIV and AIDS Response, Dec 2013

Social Contracting Diagnostic Tool for HIV, TB and Malaria programs, Final Draft

OPM 2014 Guidance tool for countries developing AIDS sustainable financing plans

Curatio International Foundation 2015 The road to sustainability: Transition preparedness assessment framework

Country Readiness Assessment presentations and reports

<http://www.heard.org.za/wp-content/uploads/2016/06/iaen-2016-Evaluating-transition-readiness-towards-sustainable-HIV-AIDS-response.pdf>

<http://curatiofoundation.org/transition-preparedness-assessment/>

**United States Agency for International Development (USAID)** 13 March 2017**Agency definition of transition from external support and sustainability in the health sector**

USAID uses various terms to denote decreases in or ending of external funding support for programs. “Phase out” implies ending support within a defined time period irrespective of reason. “Graduation” involves reaching specific goals or service levels. “Transition” includes changes in support from service delivery to TA to partnership.

A USAID review of graduation or phase out in the health sector (2012) defined sustainability as: *“the capacity of a host country entity to achieve long-term success and stability and serve its population without interruption and without reducing the quality of services after external assistance ends.”*

PEPFAR Sustainability position paper, 2016: *“For PEPFAR, sustainability of the HIV response means that a country has the enabling environment, services, systems, and resources required to effectively and efficiently control the HIV and AIDS epidemic.”*

**Current policies on sustainability and transition from external financing**

The Local Systems Framework policy highlights the importance of working with country systems. *“Sustainability is about building skills, knowledge, institutions and incentives that can make development processes self-sustaining. Sustainability cannot be an afterthought—it must be incorporated from the start when preparing a program or project.”*

**Main agency/organisation approaches adopted to support sustainability and transition**

The 2012 review found that USAID typically focused on four elements for achieving health program sustainability: 1. Country led financing, whether the financing is public or private. 2. Promoting supportive policy and regulation to create an enabling environment. 3. Institutional strengthening to prepare country institutions. 4. Leadership and stewardship of health resources. *“A key lesson learned is that each of these four sustainability factors may take years, and possibly decades, to achieve.”<sup>2</sup>*

USAID is developing a systems approach to sustainability planning in health, based on the Local Systems policy.

**Key implementation processes and relevant activities**

A systematic graduation process was developed for Family Planning (FP) programs. Countries that reached specified levels (for total fertility, contraceptive prevalence rates and other measures) were assessed for readiness, and a graduation plan developed. This plan was implemented, and funding ended when the country met success criteria taking 2 to 10 years, (Shen, 2015).

PEPFAR has defined elements for sustainability and is using this to: a) assess and monitor progress, using the Sustainability Index and Dashboard (SID) tool (used in 41 countries in 2016); b) identify investments to address barriers; and c) review progress and adjust investments.

Sustainability is considered in presenting and assessing programme documents in USAID – so program design should include how results will be sustained.

**Useful references**

Chaudhry, et al, 2012. *Graduation and Phase-Out in the Health Sector: What Have We Learned?* USAID. Also *Five Steps Towards Implementing a Deliberate Health Sector Element Phase-out*. PEPFAR, 2016, *Sustainable HIV Epidemic Control - Sustainability Position Paper*. Also *Building a Sustainable Future - Report on the 2016 PEPFAR Sustainability Indices and Dashboards*. Shen et al, 2015. *Applying lessons learned from the USAID family planning graduation experience*

<sup>2</sup> The review identified five critical steps in phasing out a health program: 1. Good coordination and clear communication with all stakeholders about close out dates; 2. Development of a phase-out strategy with the host country’s government and partners early in the process; 3. Strengthening existing or new collaborations for leaving a lasting USAID legacy on the country’s health sector; 4. Communication and documentation of the program’s successes; and 5. Evaluation of the program.

to the GAVI graduation process. Health Policy and Planning.

**World Bank (WB)**

**DRAFT 13 March 2017**

**Agency definition of transition from external support and sustainability in the health sector**

Sustainability – the ability of a health program to maintain progress on service coverage and financial protection after the end of external support. This includes: financial sustainability – what resources will be available to replace external funding and finance transition? And programmatic sustainability – which activities that were donor funded to sustain, at what level? (MDTF slides).

Health financing transition refers to country transition away from external and out of pocket (OOP) financing towards domestic pooled funding. Transition from external funding is within this.

**Current policies on sustainability and transition from external financing**

Countries transition from IDA based on criteria for per capita income levels and other factors, including creditworthiness. Countries choose whether to take IBRD loans as IDA support ends.

**Main agency/organisation approaches adopted to support sustainability and transition**

Transition from external support may require changes in health financing, service delivery and governance. This may coincide with other changes to improve financing and move towards UHC. World Bank takes a sector view of health financing, within the broader economic and fiscal context for the country.

**Key implementation processes and relevant activities**

No specific process for transition from IDA beyond country level planning of WB support. Some discussions on reducing the costs of borrowing, through funding TA with grant funds (from the MDTF or from other sources), buy downs (where another donor pays the interest costs) or co-financing.

**Multi-donor trust fund (MDTF) on integrating externally financed health programs** – objective to support countries to strengthen health systems to accelerate and sustain progress towards UHC, with a focus on the financial and institutional sustainability of donor financed health programs. It includes 1) Health financing system assessments. 2) TA and capacity building. 3) Knowledge generation. 4) Support for implementing systems integration/ strengthening in countries. This MDTF supports the WB's broader financing agenda and approach.

**Health financing system assessments** look at health sector overall, all funding sources and the role of external funds within this. It can include the challenges related to procurement, financial management, and transitions from human resource management policies under donor-financed programs; equity considerations in managing the transition; and whether technical assistance is needed to help overcome some of the transition challenges. E.g. the Indonesia assessment found that while external financing is only 1% of total health expenditure, it is concentrated in TB (60%), and over 10% of immunisation costs. Ways to address immunisation funding were part of the assessment, given the approaching transition from GAVI support.

Health financing assessments are used in policy dialogue with governments and other partners, within normal WB operational work. This includes linking Finance and Health ministries. Where funding is highly constrained, the approach may be to secure other external financing.

**Useful references**

WB, *Multi-donor trust fund concept note: integrating externally financed health programs*. 2015  
WB et al. *Spend more, right and better: Indonesia Health Financing System Assessment*. 2016

**World Health Organization (WHO)****Health Governance and Financing department (HGF)****Understanding of transition from external support and sustainability in the health sector**

WHO's Health Systems Governance and Financing Department sees transition from the perspective of the country as a whole, rather than focusing on transition from funding of an individual donor or development agency. This includes the overall **health financing transition** that is observed across countries as income levels rise and health spending levels increase, with a decline in externally sourced funding, and a lagged reduction in the role for out of pocket spending. They stress the importance of focusing on how to proactively increase the share coming from pooled and pre-paid funding sources.

Sustainability is about increasing the attainment of health outcomes/effective coverage, and moving further towards UHC, not about sustaining particular health programs.

**Main organisation approaches to support transition and sustainability**

As countries move towards the goal of UHC, it is important to develop health financing and delivery systems and support public financial management (PFM) systems that will contribute to UHC, including equitable access and increasing coverage. Achieving this will require:

- effective design of health financing systems including strategic purchasing and consistent PFM systems;
- increased efficiency in the use of funding, including reducing duplication and misalignment of health system functions (e.g. monitoring, procurement and delivery systems); and
- institutional capacity to manage the transition and ensure effective coverage is sustained.

Health financing system analysis, budgets and public financing discussions need to address the health system as a whole, not separately for individual programs (the sector as the "unit of analysis"). So the approach is to look at revenues and expenditure issues, including efficiency gains, for the system overall, not argue for individual disease programs to have their own tax or revenue streams. In many respects, the transition process can be seen as an opportunity to focus on fundamental revenue, expenditure and institutional issues that should be important for all countries. WHO also stresses that the key unit of analysis in the transition process is a given country, and as a result donors need to come together to support a coordinated process at that level.

**Key implementation processes and relevant activities**

WHO has developed approaches and guidelines for analysis at country level including:

- a health financing capacity diagnostic tool which gives guidance on how to conduct a situation analysis of the country's health financing system
- A system wide approach to analysing efficiency across health programs is a tool and process for assessing inefficiency across health system functions.
- Development of a process and guide to review the alignment and fit between health financing and PFM systems as these develop (with R4D).

Coordination and harmonization of support to GF, GAVI, GFF transition and sustainability policies and looking at how these translate into WHO regional and country operations and also joint missions, sharing travel notes etc.

Support to national health planning and strategy development to help countries move towards UHC and make choices on service priorities. Support to individual countries on health financing strategies, alongside partners. Support for developing integrated national information and accountability systems and reduce duplication in monitoring. The EU-WHO Universal Health Coverage Partnership: Supporting policy dialogue on national health policies, strategies and plans and universal coverage includes 27 countries and provides support to national health policies and planning; strengthens technical and institutional capacities for health systems and services adaptation and related policy dialogue. It also aims to ensure international and national stakeholders are increasingly aligned around national plans and adhere to other aid effectiveness principles (including through UHC2030).

**Useful references**

McIntyre et al. *Health financing country diagnostic: a foundation for national strategy development*. 2016  
Sparkes et al. *A system wide approach to analysing efficiency across health programs*. 2017  
National health planning Toolkit