EU Civil Society Organisation Group Recommendations on Global Health to the EU and its Member States

for the Third Conference on Financing for Development and the Related Negotiation Processes

JUNE, 2015

Recommendations on Financing for Development Building on the Zero Draft of the FfD3 Outcome Document, we call on the EU to:

Introduction:

We consider the following Civil Society Organisation (CSO) recommendations on Financing for Development as a blueprint for how best to finance the future Sustainable Development Goal for Health. We call on the EU and its Member States to address the recommendations below during the negotiations for the Outcome Document of the **Third Conference on Financing for Development (FfD3)** and relevant subsequent global forums. In addition we call on the EU and its Member States to develop a clear action plan to implement the Post-2015 Development Agenda following its adoption at the UN Summit in September 2015.

The Addis (zero draft) negotiations must be committed to the provision of essential public services, including the right to health, for all. The EU should continue to apply a human rights approach to development and take a proactive role in supporting democratic policy-making with full engagement of civil society at all stages and community involvement in health systems. Achieving Universal Health Coverage (UHC) – where all people are able to access quality health services without discrimination whenever they need them and without financial hardship or fear of falling into poverty – requires investing in a strong public sector.

The reality is also that certain sensitive health issues are not taken up by national public sectors, either due to political and/or cultural sensitivity, or legal constraints. International aid should be available to support people to obtain the health services they need without having to make out-of-pocket payments. The EU should also support governments to ensure that other actors engaged in financing or delivery of health services – including private business activity and investments – are contributing to UHC and the right to health for all.

I. Domestic public finance:

1. Support the increase of tax revenue up to a minimum of 20 % of Gross Domestic Product (GDP) and the scaling up of expenditure to strengthen public health services in accordance with the economic performance and revenue of countries. In this regard, the EU should:
   - ***a)*** support commitments to progressively move towards a target of at least 5% of GDP spent on Government Health Expenditure (GHE)[1];
   - ***b)*** supporting LIC - with a low GDP - to reach at least $86 government health-spending per capita *(the estimated annual cost required to scale up a set of essential services),* and
   - ***c)*** call for the fulfilment and scaling up of regional commitments such as the Abuja Declaration of allocating at least 15 % of General Government Expenditure (GNE) to the health sector;

2. Call for policies that actively support partner countries in achieving Universal Health Coverage – needed to avoid catastrophic and impoverishing health expenditure; and eliminate out of pocket payments (OOP) for priority health services and health services to the poor to ensure zero impoverishment from health expenditure;

3. Support gender and youth-responsive budgeting in the health sector, and in general foster a gender and youth-sensitive approach to public financial management;

4. Support health systems strengthening through investments in human resources for health to reach a minimum threshold of 2.28 skilled health professionals (midwives, nurses and physicians) per 1000 people as well as the training, remuneration and integration of Community Health Workers into health systems.

5. Strongly support the implementation of the International Health Partnership at global and country level to ensure donor coordination in support of national health plans.

[1] Government health expenditure (GHE) includes resources channeled through government budgets, but also the expenditure on health parastatals, extra-budgetary entities and mandatory health insurance schemes. In many countries it also includes external financing.

II. Domestic and international private business finance:

6. Support governments to ensure impact assessment before entering into PPP including: that adequate public capacity is in place, evidence that no other funding mechanisms are available, demonstration that benefits from PPP financing and potential private business service delivery outweigh extra costs and risks for the national health system and the absence of any conflict of interest;

7. Implement mechanisms for full transparency of global and national PPPs through public access to information about projects or programmes and full stakeholder participation, including national parliaments and citizens, at all stages of PPP development;

8. Develop a systematic *ex-ante* impact assessment on health outcomes before integrating private actors in global health partnerships;

9. Make the establishment of global-level PPPs conditional on compliance with development effectiveness, human rights principles and equity outcome-oriented results.

III. International Public finance:

10. Commit to delivering 0.7% of GNI as ODA and 0.1% of GNI as ODA for health by 2020;

11. Support the implementation of innovative financing, such as a financial transaction tax, as a means to fund global public goods and to ensure the strict additionality of such mechanisms to public budgetary efforts;

12. Ensure additionality of climate finance and ODA and promote the use of ODA beyond its catalytic role and its leverage effects;

13. Continue support through a mix of aid modalities (like ODA grants, general budget support, funding current pooled funding, sector-wide approaches and CSO grants).

14. Ensure progress is made on the Paris/Accra/Busan commitments on aid effectiveness, thus ensuring country ownership and alignment, results-based financing, mutual accountability; the implementation of the International health partnership at global and country levels to ensure donor coordination in support of national health plans;

15. Ensuring commitment to human rights principles, including gender equality and progress related to the ICPD and the Beijing Declaration and respective platforms for action;

16. Recognise the specific needs and capacities of middle-income countries (MIC) and develop a costed transition plan for countries graduating to MIC status to ensure a smooth phasing out of donors in collaboration with governments and developing partners, including by supporting CSOs as key actors to address the needs of vulnerable and affected communities;

17. Recognise the added value provided by existing pooled funding mechanisms, while taking the necessary measures to ensure these initiatives strengthen national health systems and community systems in a sustainable manner.

IV. International trade:

18. Ensure that intellectual property and investment rules negotiated in free trade agreements do not put access to affordable medicines and to publicly financed and delivered health services in jeopardy. More specifically, ensure that the Transatlantic Trade and Investment Partnership (TTIP) sets new global standards that prioritise public health interests over commercial interests.

V. Debt and Debt sustainability:

19. Prioritise and encourage the use of ODA grants (especially for LIC) and highly concessional loans (for MIC) for the health sector in order to avoid plunging countries further into debt;

20. Use debt relief instruments and ensure that health is prioritised in the allocation dialogue.

VI. Systemic issues:

21. Lead a process of rationalisation of tax exemptions at international level, to avoid a harmful race to the bottom and endless competition between States;

22. Implement mechanisms to enable developing countries to have an equal say in international decision-making, promoting accountability and transparency of tax systems.

VII. Technology, innovation and capacity building:

23. Advocate for global health science, technologies and innovation to be recognised as key drivers of economic growth, employment creation and sustainable development;

24. Support Research and Development (R&D) models that are consistent with development and public health objectives to ensure policy coherence for development;

25. Adopt the proposed R&D treaty which encourages the creation of targets for R&D spending;

26. Fund R&D for diseases prevalent in developing countries, including for new diagnostic products, vaccines and medicines and ensure equal access to such innovations. Support research capacity in developing countries including the EDCTP.

VIII. Data monitoring and follow-up:

27. Promote an equity-driven financing agenda focused on people - beyond the limitations of the prevailing classifications based on GNI - by exploring new ways to measure and interpret country needs and capacities;

28. Support the new paradigm for accountability of the Synthesis Report of the UN Secretary-General on the Post-2015 Sustainable Development Agenda;

29. Promote the meaningful engagement of civil society as equal partners in national accountability mechanisms and define a clear role for this purpose in data monitoring and accountability;

30. Dedicate technical assistance to strengthening national health information systems to collect and publish disaggregated data beyond the poorest quintile approach, namely by sex, age, race, ethnicity, income level, location, disability, HIV, migrant and marital status, sexual orientation and gender identity, among other factors that have a significant impact on the health status of people.

Signed by:

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