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# DOMESTIC RESOURCE MOBILIZATION FOR ENDING PREVENTABLE CHILD AND MATERNAL DEATHS

## Need and Opportunity

Globally each year, 303,000 mothers and 5.9 million children under five die of largely preventable causes, including over 2.6 million newborns, almost 1 million on their first day of life. USAID's *Acting on the Call* reports present and track a plan to save the lives of 15 million children and 600,000 women by 2020 by scaling up proven interventions. As the rate of reduction in maternal and child mortality has accelerated, a *grand convergence* with OECD levels is now feasible by 2030. The total economic benefits of this grand convergence are expected to yield a return on investment of up to 20 times the initial investment.

## Domestic Resource Mobilization

The last 50 years have seen a historic five-fold increase in GDP per capita in the world, driven by demographic dividends, global trade and better governance, with half of low-income countries graduating to higher income status since the year 2000. As a result, public and private domestic resources now dwarf official development assistance (ODA), putting domestic resource mobilization for health (DRM) at the heart of the post-2015 agenda.



Photo credit: Morgana Wingard for USAID

USAID is leading and supporting various efforts in DRM to improve financing for health, including the Global Financing Facility for Every Woman Every Child (GFF). The GFF is an alliance of donors, UN agencies, host governments, and private sector and civil society organizations that supports countries to implement essential interventions at scale. The facility will enable partners to align their contribution from key partners within an investment case for reproductive, maternal and child health priorities which are largely drawn from national plans. The GFF uses official development assistance to catalyze additional domestic and international, public and private resources for key interventions to end preventable child and maternal deaths.

USAID committed \$50 million, subject to congressional approval and availability of funds, to GFF's four first phase "frontrunner" countries—Tanzania, Democratic Republic of Congo (DRC), Kenya, and Ethiopia—and is a member of the GFF Investors Group. Rather than contributing to the central trust fund managed at World Bank headquarters, USAID funds are retained in countries for their original purpose through country-specific "single-donor trust funds" with oversight from USAID missions. In July 2015, Bangladesh, Cameroon, India, Liberia, Mozambique, Nigeria, Senegal, and Uganda were announced as "second wave" GFF countries.



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## Progress at Country Level

The 12 GFF countries comprise 61 percent of the global burden of child and maternal mortality and represent 11 USAID priority countries for ending preventable child and maternal deaths. Almost all have launched the process to develop investment cases and health financing strategies. More specifically:

- **Tanzania:** USAID grant funding to the local GFF trust fund has enabled the Ministry of Finance to double World Bank International Development Association (IDA) allocations to health (from \$100 million to \$200 million).
- **Democratic Republic of the Congo (DRC):** The DRC government increased allocations to health from 4 percent to 7.5 percent of the budget and, for the first time, allocated \$3.5 million for contraceptives.
- **Kenya:** The national investment case has been finalized. Multi-donor trust funds will be established to accept the expected \$30-40 million that will leverage \$150 million in IDA.
- **Ethiopia:** The investment case, supporting community-based health insurance, is being finalized. A trust fund will be established to accept \$60 million that will leverage \$250 million in IDA financing.



## Innovative Financing

USAID remains at the forefront of developing innovative financing instruments that support the transition toward sustainably financed health systems. As domestic resources grow and frontier economies become more attractive for capital markets, innovative financing instruments are enabling public, private and philanthropic funders to transact across an increasingly diverse financial landscape.

USAID's Center for Accelerating Innovation and Impact (CII) is working with Washington and

Mission staff to develop innovative financing instruments in maternal, newborn and child health that catalyze:

1. **Impact.** By improving the efficiency and effectiveness of USAID investments through results-based contracts, reducing financial and operational risks, creating or aligning incentives, and pooling resources;
2. **Leverage.** By crowding in additional sources of public and private capital with various instruments, including the credit guarantee provided by USAID's Development Credit Authority (DCA) to de-risk investments; and
3. **Sustainability.** By promoting a shift towards investments that support inclusive and sustainable business models

For more information, please visit <https://www.usaid.gov/what-we-do/global-health>.

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