

# Latin America and the Caribbean

## Financial Resource Flows and Revised Cost Estimates for Population Activities

"The Millennium Development Goals, particularly the eradication of extreme poverty and hunger, cannot be achieved if questions of population and reproductive health are not squarely addressed. And that means stronger efforts to promote women's rights, and greater investment in education and health, including reproductive health and family planning"

*Secretary-General Kofi Annan, Bangkok, December 2002*

### Why Fund Population Activities?

Population dynamics and reproductive health are central to development and must be an integral part of development planning and poverty reduction strategies. Promoting the goals of the United Nations Conferences, including those of the International Conference on Population and Development (ICPD), is vital for laying the foundation to reduce poverty in many of the poorest countries and for achieving the Millennium Development Goals.

### ICPD Financial Targets

At the ICPD in 1994, the international community agreed that US \$17 billion would be needed in 2000, \$18.5 billion in 2005, \$20.5 billion in 2010 and \$21.7 billion in 2015 to finance programmes in the area of population dynamics, reproductive health, including family planning, maternal health and the prevention of sexually transmitted diseases, as well as programmes that address the collection, analysis and dissemination of population data. Two thirds of the required amount would be mobilized by developing countries themselves and one third, or \$5.7 billion in 2000, \$6.1 billion in 2005, \$6.8 billion in 2010, and \$7.2 billion in 2015 was to come from the international community.

### Are the Original Targets Meeting Our Needs?

The ICPD financial targets were fixed some 15 years ago and do not meet current needs that have grown dramatically since the targets were agreed upon. At that time, the population and health situation in the world was much different than it is today. The HIV/AIDS pandemic has reached proportions that were never anticipated, and maternal and newborn mortality remains unacceptably high in many parts of the world. Health-care costs have increased dramatically and the lack of progress on ICPD targets has been identified as being linked to a number of issues including the lack of investment in the development and support of health systems and programmes. Costs of data collection have risen substantially. In addition, the value of the dollar today is far lower than it was in 1993. As a result, the original ICPD targets are simply not sufficient to meet current developing-country needs.



## What Will It Take To Achieve The ICPD Objectives Today: Revised Cost Estimates

To more accurately reflect the necessary financial resources currently needed to facilitate the achievement of the ICPD and MDG targets and to harmonize the ICPD financial targets with MDG costing, UNFPA undertook the task of reviewing estimates for the four components of the ICPD costed population package and produced revised estimates that meet current costs and needs. These revised estimates, which are much higher than the original ICPD targets agreed upon in 1994 because they take into account both current needs and costs, are included in the Report of the Secretary-General on *The Flow of Financial Resources for the Implementation of the Programme of Action of the International Conference on Population and Development* which was presented to the Commission on Population and Development in March 2009.

**Table 1. Revised ICPD Global Cost Estimates, 2009-2015 (Millions of US \$)**

Region/year	2009	2010	2011	2012	2013	2014	2015
<b>Sexual/Reproductive Health/Family Planning</b>	<b>23,454</b>	<b>27,437</b>	<b>30,712</b>	<b>32,006</b>	<b>32,714</b>	<b>33,284</b>	<b>33,030</b>
<i>Family Planning Direct Costs</i>	2,342	2,615	2,906	3,209	3,529	3,866	4,097
<i>Maternal Health Direct Costs</i>	6,114	7,868	9,488	11,376	13,462	15,746	18,002
<i>Programmes and Systems Related Costs</i>	14,999	16,954	18,319	17,422	15,723	13,672	10,931
<b>HIV/AIDS</b>	<b>23,975</b>	<b>32,450</b>	<b>33,107</b>	<b>33,951</b>	<b>34,734</b>	<b>35,444</b>	<b>36,189</b>
<b>Basic Research/Data/Policy Analysis</b>	<b>1,551</b>	<b>4,837</b>	<b>3,943</b>	<b>2,239</b>	<b>1,181</b>	<b>864</b>	<b>591</b>
<b>TOTAL</b>	<b>48,980</b>	<b>64,724</b>	<b>67,762</b>	<b>68,196</b>	<b>68,629</b>	<b>69,593</b>	<b>69,810</b>

Source : United Nations (2009), Report of the Secretary-General on *The Flow of Financial Resources for the implementation of the Programme of Action of the International Conference on Population and Development*, E/CN.9/2009/5. UNFPA (forthcoming), *Revised Cost Estimates for the Implementation of the Programme of Action of the International Conference on Population and Development: A Methodological Report*.

## Global Progress Towards the ICPD Financial Commitments

By 2007, international population assistance increased to \$8.7 billion. This includes funding from developed countries, the United Nations system, foundations, NGOs, and development banks. Based on past trends, this number is projected to increase further in 2008 and 2009. However, given the current global financial crisis, it is uncertain whether this will indeed be the case.

The largest proportion of total population assistance goes to fund HIV/AIDS activities. In fact, funding for family planning services has decreased in absolute dollar amounts since 1995 when UNFPA first began monitoring resource flows by the four ICPD costed population categories.

The Resource Flows Project estimates that developing countries and countries in transition mobilized \$18.5 billion for population activities in 2007. Domestic resources include government, national NGO and private out-of-pocket expenditures.

The global figure of domestic expenditures reflects the commitment of developing countries, regardless of the amount mobilized, although it contains significant variations among countries in their ability to mobilize resources for population activities. Most domestic resources originate in a few large countries. Many countries, especially those in sub-Saharan Africa and the least developed countries, are not able to generate the necessary resources to finance their own population programmes. They rely to a large extent on donor assistance.

# Financial Resource Flows in Latin America and the Caribbean

## Resource Requirements for Population Activities in Latin America and the Caribbean

Table 2. Revised ICPD Cost Estimates for Latin America and the Caribbean, 2009-2015  
(Millions of US \$)

	2009	2010	2011	2012	2013	2014	2015
<b>Sexual/Reproductive Health/Family Planning</b>	<b>3,132</b>	<b>3,401</b>	<b>3,627</b>	<b>3,837</b>	<b>3,922</b>	<b>4,119</b>	<b>4,347</b>
<i>Family Planning Direct Costs</i>	310	343	378	414	452	492	518
<i>Maternal Health Direct Costs</i>	958	1,182	1,431	1,706	2,009	2,340	2,680
<i>Programmes and Systems Related Costs</i>	1,864	1,876	1,818	1,717	1,461	1,286	1,150
<b>HIV/AIDS</b>	<b>3,072</b>	<b>3,461</b>	<b>3,562</b>	<b>3,630</b>	<b>3,703</b>	<b>3,770</b>	<b>3,867</b>
<b>Basic Research/ Data/Policy Analysis</b>	<b>162</b>	<b>729</b>	<b>250</b>	<b>309</b>	<b>74</b>	<b>78</b>	<b>106</b>
<b>TOTAL</b>	<b>6,366</b>	<b>7,591</b>	<b>7,439</b>	<b>7,775</b>	<b>7,699</b>	<b>7,966</b>	<b>8,320</b>

Source : United Nations (2009), Report of the Secretary-General on *The Flow of Financial Resources for the implementation of the Programme of Action of the International Conference on Population and Development*, E/CN.9/2009/5. UNFPA (forthcoming), *Revised Cost Estimates for the Implementation of the Programme of Action of the International Conference on Population and Development: A Methodological Report*.

### International Assistance for Population Activities in Latin America and the Caribbean

Latin America and the Caribbean received almost \$395 million in population assistance in 2007 (Table 3). Of this amount, 39 per cent was channeled through bilateral programmes, 34 per cent was channeled through multilateral organizations and 27 per cent was spent by international NGOs. A total of 32 countries in Latin America and the Caribbean benefited from international population assistance in 2007. Haiti received the most assistance of any country in the region--\$116.9 million, followed by Nicaragua--\$36.7 million and Peru--\$ 24.5 million. A total of \$43.5 million was spent on regional programmes.

**Table 3. Population Assistance to Countries in Latin America and the Caribbean, 1997-2007**  
(Thousands of US \$)

Country	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Anguilla	0	0	0	116	44	20	0	0	0	0	0
Antigua and Barbuda	13	13	20	0	0	50	0	0	0	2	61
Argentina	1,652	1,239	1,558	1,045	865	570	3,478	1,512	5,788	5,601	7,176
Aruba	6	63	153	170	208	166	0	0	0	0	0
Bahamas	17	2	0	0	0	0	0	0	75	0	0
Barbados	55	241	1	0	0	0	85	0	80	207	362
Belize	79	112	205	122	278	325	409	323	452	572	527
Bolivia	21,78	28,818	19,230	17,015	25,576	25,513	11,248	11,668	16,736	16,779	15,447
Brazil	20,543	17,684	12,595	10,602	7,545	12,256	11,489	18,779	6,195	17,509	7,718
Chile	4,354	1,091	415	108	112	183	4,162	667	9,878	2,963	5,218
Colombia	2,559	2,297	2,181	1,652	1,427	1,315	1,692	3,267	4,603	8,306	3,773
Costa Rica	520	239	313	419	344	378	660	601	1,202	1,582	1,456
Cuba	935	782	540	455	1,469	1,382	5,988	1,531	5,042	5,116	12,059
Dominica	12	18	14	0	0	0	0	25	7	16	19
Dominican Republic	6,772	7,061	8,163	6,909	8,135	8,524	8,524	7,420	13,283	14,453	16,224
Ecuador	5,446	7,640	7,555	6,600	9,697	5,132	3,492	4,041	9,610	11,128	11,694
El Salvador	5,872	7,045	9,105	5,057	7,760	6,268	7,626	8,325	15,390	9,241	6,814
Grenada	76	33	0	0	0	21	0	0	1,048	4	14
Guatemala	5,568	9,980	10,411	7,578	12,474	25,636	19,757	16,943	15,187	14,992	18,159
Guyana	132	169	215	482	1,064	1,315	4,387	11,794	19,135	22,889	19,462
Haiti	16,137	20,144	20,222	11,419	16,621	17,647	39,388	25,951	75,896	96,668	116,948
Honduras	7,422	8,118	8,864	13,256	13,853	14,551	11,635	10,540	17,031	15,175	19,061
Jamaica	5,088	5,588	4,209	5,066	3,534	6,544	4,677	5,000	7,170	7,396	7,021
Mexico	23,326	28,948	14,924	16,214	9,849	16,318	15,646	13,028	8,127	11,322	7,654
Montserrat	7	0	0	0	0	181	931	0	0	0	0
Netherlands Antilles	25	134	127	133	217	123	0	0	0	0	0
Nicaragua	11,529	15,974	9,954	11,888	16,685	18,477	15,823	20,728	23,018	29,598	36,732
Panama	388	382	244	318	474	688	594	871	925	1,686	341
Paraguay	1,994	3,392	4,292	2,306	3,761	3,552	4,167	3,673	4,373	5,189	5,340
Peru	29,564	28,296	22,112	20,085	23,635	26,167	18,839	23,715	43,426	35,316	24,499
Puerto Rico	0	0	0	0	0	0	36	0	0	0	8
Saint Kitts and Nevis	7	8	0	0	0	0	5	0	0	0	0
Saint Lucia	48	22	5	104	26	51	89	0	605	65	46
Saint Vincent and the Grenadines	35	4	5	0	0	0	0	0	913	32	258
Suriname	2,820	365	220	824	139	336	1,083	3,884	9,019	2,384	4,725
Trinidad and Tobago	59	175	234	331	530	370	849	63	657	1,948	1,253
Turks and Caicos Islands	3	0	0	0	0	67	0	18	0	0	0
Uruguay	314	832	461	107	193	154	288	571	430	538	437
Venezuela	497	619	448	459	879	779	1,312	1,028	1,665	3,534	677
Regional	33,081	39,548	23,605	15,694	21,208	60,609	23,591	40,206	35,711	49,562	43,464
<b>TOTAL</b>	<b>208,676</b>	<b>237,075</b>	<b>182,603</b>	<b>156,534</b>	<b>188,603</b>	<b>255,666</b>	<b>221,948</b>	<b>236,173</b>	<b>352,678</b>	<b>391,772</b>	<b>394,650</b>

Source: UNFPA/NIDI Resource Flows database and *Financial Resource Flows for Population Activities*, selected years.

## Domestic Resources for Population Activities in Latin America and the Caribbean

Domestic financial resources for population activities originate from the following major sources: Governments, NGOs, the private sector and consumers. The number and complexity of sources make it much more difficult to monitor domestic resource flows than international assistance for population. Although it is possible to collect information from Governments and NGOs, it is more difficult to track this information from the private sector and individual consumers due to insufficient data. Table 4 provides estimates of domestic expenditures for population activities by governments, NGOs and consumers.

Table 4. Estimated Domestic Expenditures for Population Activities in Latin America and the Caribbean, By Source of Funds, 2007 (Thousands of US \$)

Government	NGO	Consumers*	Total	Percentage spent on AIDS
1,594,955	129,196	826,184	2,550,335	85%

\*Consumer spending on population activities covers only out-of-pocket expenditures and is based on the average amount per region as measured by the WHO (2004) for health care spending in general. For each region, the ratio of private out-of-pocket versus per capita government expenditures was used to derive consumer expenditures in the case of population activities.

Source: Erik Beekink and Annemarie Ernsten, *Projections of Funds for Population and AIDS Activities, 2007-2009*, The Hague, 2008. See also Marieke van der Pers and Erik Beekink, *Projections of Funds for Population and AIDS Activities, 2006-2008*, The Hague, 2007; Hendrik van Dalen and Daniel Reijer, *Projections of Funds for Population and AIDS Activities, 2005-2007*, The Hague, 2006; Hendrik van Dalen and Mieke Reuser, *Projections of Funds for Population and AIDS Activities, 2004-2006*, The Hague, 2005; and Hendrik van Dalen and Mieke Reuser, *Assessing Size and Structure of Worldwide Funds for Population and AIDS Activities*, The Hague, 2004.

## The Way Forward

Fifteen years have passed since the ICPD financial targets were agreed upon. While funding has increased, the resources mobilized are inadequate to meet current needs and costs which have grown tremendously since the targets were agreed upon in 1994. The goals and objectives of the ICPD Programme of Action have not been fully implemented and although important progress has been made, the international community is not on track to fulfill all the commitments towards the Millennium Development Goals.

Both international and domestic allocation of resources to population activities must increase from present levels in line with the revised cost estimates for each of the four programme components to meet current needs. It is important that, given the current global financial crisis, sufficient resources are mobilized by both donors and developing countries to fully implement the ICPD agenda and the goals of the Millennium Declaration.



For more information, please visit the Resource Flows Web Site at: [www.resourceflows.org](http://www.resourceflows.org)