EU health ODA is characterized by strong budget support and contributions to multilateral organizations

EU institutions spent US$1.2 billion on global health in 2017, according to data from the Organisation for Economic Development and Co-operation (OECD). This corresponds to 6% of the EU’s total ODA. The European Commission (Commission) has indicated that health ODA will remain largely flat until 2020 and will be concentrated on fewer partner countries. The Commission agreed on three priority sectors with each partner country for a multi-year period, in line with the country’s own priorities. Only 15 partner countries (of which 10 are in sub-Saharan Africa) requested health as a priority sector, down from 40 in the previous programming period (2007-2013). The European Consensus on Development-ratified in 2017, commits the EU to spending at least 20% of its ODA on human development and social inclusion; while it has made strides in this direction, the EU has not met the target during the current Multiannual Financial Framework (MFF).

The vast majority (79%, or US$928 million in 2017) of the EU’s ODA to health is provided as bilateral ODA. This accounts for 5% of the EU’s total bilateral ODA. Funding for health gradually rose between 2014 and 2016, and further increased by 23% in 2017. The increase is largely due to increased investments into basic health infrastructure, which tripled between 2016 and 2017 (rising from US$76 million to US$229 million) and which now makes up 25% of all bilateral health ODA. Basic health care remains the top sector in 2017 (accounting for 26% of bilateral health ODA).

The EU channels a substantial share of its bilateral health funding as sector budget support: US$148 million, or 16% of bilateral health ODA in 2017. Apart from the funding that is reported as health ODA, the EU provides partner countries with general budget support that also indirectly benefits the health sector. In 2017, benefits for health are estimated at around US$64 million (based on the Muskoka methodology, approximately 10% of general budget support goes to the health sector). This brings total bilateral ODA benefiting the health sector in 2017 to US$992 million.

More than a third of bilateral ODA to health (38% or US$355 million) is earmarked for multilateral organizations. The largest recipient is the United Nations Children’s Fund (UNICEF; US$88 million). The Commission also provides earmarked bilateral funding to Gavi, the Vaccine Alliance (Gavi). According to Gavi, the EU provided US$55 million in 2018; this is a significant increase from contributions in previous years (US$8 million in 2017 and US$14 million in 2016), largely due to uneven disbursements of the EU’s most recent pledge to the organization. For Gavi’s 2016-2020 funding period, the EU pledged US$247 million in direct funding.

In addition to the health ODA it delivered bilaterally, the EU contributed to key multilateral organizations working in health. Based on the OECD DAC methodology for calculating imputed multilateral contributions to the health sector, core contributions to multilateral organizations within the health sector amounted US$241 million in 2017 (21% of total health ODA), focusing on the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund). According to the Global Fund, the Commission’s contribution in 2018 was US$168 million; this is a slight decrease from 2017 levels (US$201 million). Since the Global Fund’s creation in 2002, the Commission has contributed a total of US$2 billion (as of August 2019, according to the Global Fund). For the 2017-2019 funding period the EU increased its pledge to €475 million (US$593 million) and had pledged €370 million (US$410 million), for the 2014-2016 funding period.

The EU has also pledged €26 million (US$30 million) to the Global Financing Facility in support of Every Woman Every Child (GFF) for its 2019-2023 funding period, according to GFF data; this is likely to be earmarked funding. The EU has also supported the Global Polio Eradication Initiative (GPEI) since 2006. According to GPEI, the EU contributed US$17 million in 2018. Funding to GPEI for the remaining years of the financing period until 2020 is unclear. The Commission announced in September 2018 that it would provide “unprecedented” support to polio-endemic Afghanistan through its bilateral health programs.

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2 The OECD does not calculate multilateral imputed contributions for the EU institutions. This figure was calculated using the same methodology, based on Commission’s contributions to the Global Fund, Gavi, UNRWA, UNICEF, and WHO.
DG DEVCO’s Directorate on People and Peace leads policy development on health

The Council defines overall priorities within global health, while the Commission’s Directorate-General for international Cooperation and Development (DG DEVCO) oversees developing the EU’s policies and thematic programs around global health. Within DG DEVCO, global health is covered by Unit B4, ‘Culture, Education and Health’, within DG DEVCO’s Directorate B, ‘People and Peace’.

THE EU’S BILATERAL ODA TO HEALTH

US$ millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Bilateral ODA to health</th>
<th>Bilateral health ODA as % of total bilateral ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>553</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>601</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>754</td>
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</tr>
</tbody>
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OECD CRS, and imputed multilateral contributions to the health sector: DAC secretariat estimations. In 2017 prices.

THE EU’S KEY GLOBAL HEALTH COMMITMENTS

US$ millions


Data from government and listed organizations

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