

Tracking the flow of health aid from BRICS countries

Victoria Y Fan,^a Karen A Grépin,^b Gordon C Shen^c & Lucy Chen^d

After a decade of rapid increases, the flow of development assistance for health from traditional donors has stagnated in recent years.¹ At the same time, emerging economies such as Brazil, the Russian Federation, India, China and South Africa – the so-called BRICS – are playing increasingly important roles in global health, including being donors of international health aid. In 2010, these five countries had estimated foreign assistance budgets of 400–1200, 427, 680, 3900 and 143 million United States dollars, respectively.² These estimates were, however, pieced together from ad hoc reports and characterized by substantial levels of uncertainty. They have also not been disaggregated by health-related activities.

Information on how much donor governments are spending on health-related projects in other countries – and the aims and geographical targets of such expenditure – can help policy-makers in the recipient governments make more efficient and equitable decisions on how such financial support is allocated. It can also help donors assess the cost-effectiveness of their support and improve donor coordination – a key theme of international aid declarations made in Paris, Accra and Busan.

Two databases are commonly used to track development assistance for health. The Creditor Reporting System, which is run by the Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC), tracks development financing from various donors – mainly bilateral aid flows from countries represented on the DAC – and some multilateral institutions.³ The Development Assistance for Health Database maintained by the Institute for Health Metrics and Evaluation is a proprietary database that was mainly developed to track the international flow of health financing. Although largely based on the Creditor

Reporting System, this database has more health-related categories and some additional data from non-DAC donors – most notably private foundations based in the United States of America. Neither of these two databases captures data from BRICS donors, although the Russian Federation began reporting to the DAC in 2011. The DAC now also reports on some aid flows from the other BRICS countries – albeit using non-standardized methods of data collection, without project level data and reporting separately from the Creditor Reporting System's database.⁴ BRICS donors also do not currently report to any of the newer depositories for information on international aid, such as the International Aid Transparency Initiative. The lack of systematic, internationally comparable data on BRICS' aid activities has greatly limited what is known about the global health activities initiated by any of the five BRICS countries.

Although there have been attempts to quantify aid flows from each BRICS country, these have tended to be ad hoc, piecemeal and often complicated by the large numbers of agencies involved in foreign assistance. In the USA – where international aid is processed by at least 23 different national agencies – adoption of the DAC's methodology has helped the country to track the recipients of health aid provided via both multilateral and bilateral mechanisms. Foreign assistance from China is also highly decentralized – with provinces providing aid directly to recipient countries – and could also benefit from a centralized reporting mechanism.⁵ Many global health initiatives – such as the GAVI Alliance, the Global Fund to Fight AIDS, Tuberculosis and Malaria (hereafter the Global Fund) and the Bill & Melinda Gates Foundation – have begun to report their aid to international aid databases voluntarily. This may indicate that donors benefit from being more

transparent and accountable with their financing practices.

Recently, Strange et al. tracked Chinese financing of development projects in Africa. They used the “tracking underreported financial flows” methodology to review media-based sources of data on development projects and triangulate identified projects with data from government sources, reports and open source databases.⁶ Although this study confirmed China to be a leading contributor of aid to Africa, the authors acknowledge limitations with the sample – for example, only certain kinds of projects may be reported in the media – and bias in the variables investigated – for example, in terms of the financial value of pledges, commitments and disbursements that were reported. Despite these weaknesses, the study represented an unprecedented, systematic and replicable attempt to assess the scale and scope of the flow of Chinese development finance to African countries. Our ongoing analysis of this same data has also found that China ranks highly among the leading bilateral health donors to Africa. However, in terms of its health assistance to Africa, China appears to have very different health priorities compared with those of DAC donors – with much more emphasis on health-system projects and much less emphasis on disease-specific programmes.

Given the broad types of data sources currently available – that is, the DAC's centralized reporting mechanism, supplemented with the Institute for Health Metrics and Evaluation's data from additional global health donors, and the media-based database created by Strange et al. – how should the BRICS countries advance? One obvious recommendation might be for each national government to collect data on the international aid it provides and report such data – voluntarily – to

^a Center for Global Development, Washington, United States of America (USA).

^b Robert F Wagner Graduate School of Public Service, New York University, 295 Lafayette Street, New York, NY 10012-9604, USA.

^c School of Public Health, Yale University, New Haven, USA.

^d Institute for Global Health, Peking University, Beijing, China.

Correspondence to Karen A Grépin (email: kag12@nyu.edu).

(Submitted: 31 October 2013 – Revised version received: 24 March 2014 – Accepted: 26 March 2014)

the DAC, using the Creditor Reporting System's reporting standards. For this to happen, the governments need to be convinced of the public good of this information and the valuable contribution such reporting could make to improved coordination and increased aid effectiveness and project efficiency. If such data were made generally available, BRICS' proclaimed agendas – in terms of international aid – could be compared with the actual effectiveness of the agendas in the recipient countries. The collection of the data would also allow each BRICS country to know the full scale and scope of its international aid, possibly – given the decentralized and fragmented governance of such aid in each country – for the first time.

The collection and dissemination of such data do, however, also carry risks for BRICS governments. For example, these governments remain substantial recipients of development assistance –

including development assistance for health – and their general dissemination of data on the development assistance they are providing might be construed as a signal that they are ready to change from recipient to donor status. Since the traditional donors have been gradually decreasing the aid they give to BRICS – for example, the Global Fund already has limits on disbursements to Group of Twenty (G20) countries – any disclosure of information on aid they have given should not jeopardize the aid that the BRICS countries receive. Another potential issue is that the Creditor Reporting System – which was designed by and for traditional donors – may simply not suit BRICS' reporting needs and style. If this proves to be the case, one alternative would be the development of a new multinational system of reporting, perhaps just for BRICS, which may itself stimulate new forms of cooperation between these countries.

Instead of maintaining multiple aid depositories, a unified global database on international aid could perhaps be established, with support of a multilateral institution – such as the United Nations, the World Bank or the International Monetary Fund – or an independent third-party entity – such as the International Aid Transparency Initiative.

A slowdown in support from traditional global donors and the emergence of fast growing economies as new donors has triggered the need for better information on the flow of international health aid. Transparency in reporting such flow is ultimately beneficial for both the donors and the recipients. As BRICS take on a larger and larger global role in the health sector and economic development, it is imperative that there are commensurate increases in the availability of their data on international aid. ■

Competing interests: None declared.

References

1. Leach-Kemon K, Chou DP, Schneider MT, Tardif A, Dieleman JL, Brooks BPC, et al. The global financial crisis has led to a slowdown in growth of funding to improve health in many developing countries. *Health Aff (Millwood)*. 2012;31:228-35. doi: <http://dx.doi.org/10.1377/hlthaff.2011.1154> PMID: 22174301
2. How the BRICS are reshaping global health and development. New York: Global Health Strategies initiatives; 2012. Available from: http://www.ghsinitiatives.org/downloads/ghsi_brics_report.pdf [cited 2014 March 1].
3. Grépin KA, Leach-Kemon K, Schneider M, Sridhar D. How to do (or not to do) ... Tracking data on development assistance for health. *Health Policy Plan*. 2012;27:527-34. doi: <http://dx.doi.org/10.1377/hlthaff.2011.1154> PMID: 22174301
4. Table 33a. Estimates of gross concessional flows for development co-operation ("ODA-like" flows) from OECD key partners [Internet]. Paris: Organisation for Economic Co-operation and Development; 2013. Available from: http://www.oecd.org/dac/stats/TAB33a_e.xls [cited 2014 March 25].
5. Shen GC, Fan VY. China's provincial diplomacy to Africa: applications to health cooperation. *Contemp Polit*. 2014. Epub Apr 30. doi: <http://dx.doi.org/10.1377/hlthaff.2011.1154> PMID: 22174301
6. Strange AM, Parks B, Tierney MJ, Fuchs A, Dreher A. Tracking under-reported financial flows: China's development finance and the aid-conflict nexus revisited [University of Heidelberg Department of Economics Discussion Paper Series No 553]. Heidelberg: University of Heidelberg; 2014.