

The Evolving Global Landscape for Nutrition-Specific Financing

Taking Stock, Moving Forward

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Abstract

The global architecture to address undernutrition — a leading cause of under-five mortality—is evolving against a backdrop of global economic challenges and constrained resources. This puts funding for nutrition-specific interventions at risk, at a time when budgets are not keeping pace with growing needs.

Despite strong evidence of impact and cost-effectiveness, nutrition interventions are consistently *underprioritized* and *underresourced* within the health sector. Three key dynamics of the current financing landscape underpin these challenges: (1) a highly fragmented architecture, (2) reliance on volatile external funding from a small group of core donors, and (3) low domestic spending.

Drawing from relevant experiences in the broader global health landscape, this paper proposes four policy recommendations to enhance the near-term impact and long-term sustainability of nutrition-specific financing: (1) leveraging additional resources for nutrition via the multilateral development banks, (2) exploring options to make external financing more stable and predictable, (3) preparing countries to transition from external financing, and (4) implementing results-based funding to drive greater accountability.

Upcoming milestones, namely the 2025 Nutrition for Growth Summit, provide governments, donors, and development partners a window of opportunity to elevate nutrition on the global health and development agenda and adjust the course of nutrition-specific financing over the next decade.

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Introduction

Persistent inflation, high interest rates, and rising debt servicing costs have characterized the state of the global economy amid recovery from the COVID-19 pandemic. While these challenges are reverberating globally, low- and middle-income countries (LMICs) have felt them the most. Today's fiscal realities are exerting severe budget pressures in LMICs, including on government spending in social sectors such as health.¹ Simultaneously, foreign aid spending is increasingly constrained by budget cuts. As a result, development assistance, including for health, is facing greater competition for limited resources.² Taken together, these trends suggest concerning implications for the future of health spending as LMICs are facing mounting challenges. In turn, this places significant strain on financing for *nutrition-specific interventions* delivered through the health sector to address the immediate causes of undernutrition.

In recent years, the prevalence of undernutrition—a key contributor to under-five mortality—has been increasingly driven by overlapping crises related to climate, conflict, and rising food prices. In 2022, an estimated 150 million children under the age of five were stunted and 45 million were wasted, two critical indicators of undernutrition.³ However, the nutrition funding gap remains sizable, as resources have not kept pace with needs. This is especially concerning given that several high-impact and cost-effective nutrition interventions offer a significant return on investment (US\$23 for every dollar spent).⁴

Against this backdrop, the nutrition financing landscape has continued to evolve and currently stands at an inflection point. One key shift in recent years has been the emergence of new financing mechanisms, such as the Child Nutrition Fund (CNF). Additionally, 2025 marks the deadline for achieving the World Health Assembly's (WHA's) global nutrition targets to improve maternal, infant, and young child nutrition, a key priority of the United Nations Decade of Action on Nutrition (2016–2025), now entering its final year.^{5,6} Notably, the upcoming Nutrition for Growth (N4G) Summit offers a platform to mobilize new financing and policy commitments, keeping the spotlight on nutrition in the broader global health and development agenda.

1 Benedicts Clements, Sanjeev Gupta, and Saida Khamidova, "A Fiscal Straitjacket Is Stifling Health Spending in Developing Countries," Center for Global Development blog, August 2, 2023, <https://www.cgdev.org/blog/fiscal-straitjacket-stifling-health-spending-developing-countries>.

2 Janeen Madan Keller, Clemence Landers, Nico Martinez, and Rosie Eldridge, "2024–2025 Replenishment Traffic Jam Redux: Are Donors Getting into Gear?" Center for Global Development blog, October 16, 2024, <https://www.cgdev.org/blog/2024-2025-replenishment-traffic-jam-redux-are-donors-getting-gear>.

3 UNICEF, World Health Organization, and World Bank, "Joint Child Malnutrition Estimates," World Health Organization, accessed February 7, 2025, <https://www.who.int/data/gho/data/themes/topics/joint-child-malnutrition-estimates-unicef-who-wb>.

4 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell'Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

5 "Global Targets 2025: To Improve Maternal, Infant and Young Child Nutrition," World Health Organization, accessed February 7, 2025, <https://www.who.int/teams/nutrition-and-food-safety/global-targets-2025>.

6 "What Is the Decade of Action on Nutrition?" United Nations, accessed February 10, 2025, <https://www.un.org/nutrition/about>.

At the same time, cuts to foreign aid budgets by key donors and the recent freeze on US foreign assistance are increasing uncertainty about the future of nutrition financing. In parallel, there are ongoing debates about how to reform the broader global health architecture to adapt to a changing development landscape defined by competing priorities and limited resources (see Box 1). While the nutrition community has, at times, remained siloed from global health discussions, it will be critical to engage more systematically and effectively in health financing conversations going forward.

This analysis draws from relevant experiences in the broader global health landscape to explore ongoing challenges in the evolving nutrition-specific financing landscape and offers policy priorities to maximize the impact of constrained funding. The paper focuses explicitly on financing for *nutrition-specific interventions* delivered through the health sector that directly target the immediate causes of undernutrition. (Nutrition-sensitive interventions, which take a multisectoral approach to target the underlying causes of malnutrition, are outside the scope of this paper.⁷ We also note that recent shifts in nomenclature have led some stakeholders to refer to nutrition interventions as *direct* and *indirect*, rather than *specific* and *sensitive*. For consistency, we use the term *nutrition-specific* throughout the paper.⁸) The analysis presented below is based on a desk review of existing literature (including published academic research and gray literature), discussions with key nutrition financing stakeholders, and a private roundtable convened by the Center for Global Development (CGD) in November 2024.

The paper proceeds as follows. The following section highlights three key dynamics characterizing nutrition-specific financing against the backdrop of an evolving global health financing landscape. We then propose policy recommendations to inform how the broader nutrition financing community can drive greater near-term impact and long-term sustainability.

Three dynamics of the nutrition-specific financing landscape

Three key dynamics of the current nutrition-specific financing landscape pose particular challenges and risks for future funding: a fragmented architecture, reliance on volatile external funding from

7 For more about nutrition-specific versus nutrition-sensitive, see Nora A. Escher, Giovanna C. Andrade, Suparna Ghosh-Jerath, Christopher Millett, and Paraskevi Seferidi, “The Effect of Nutrition-Specific and Nutrition-Sensitive Interventions on the Double Burden of Malnutrition in Low-Income and Middle-Income Countries: A Systematic Review,” *The Lancet Global Health* 12, no. 3 (March 1, 2024): e419–32, [https://doi.org/10.1016/S2214-109X\(23\)00562-4](https://doi.org/10.1016/S2214-109X(23)00562-4). We acknowledge that nutrition is not solely a health issue and recognize the importance of addressing its social determinants through nutrition-sensitive actions across multiple sectors. We also recognize the importance of framing nutrition as a multi-win investment delivering benefits across multiple sectors—such as health, agriculture, water and sanitation, climate, and education. This approach not only enhances the impact of nutrition investments but also makes them more likely to be prioritized within the broader global development agenda.

8 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

a small group of core donors, and low domestic spending. Several of these features are common across the broader global health financing space.⁹

The result of these dynamics is that nutrition is consistently *underprioritized* and *underresourced* within the health sector. Despite its critical importance for health, nutrition has largely remained *underprioritized* in—and siloed from—broader conversations on health systems and health financing, including ongoing discussions on how to reform the overarching architecture (see Box 1). Its multisectoral nature contributes to this siloed approach, as nutrition does not fit squarely into one sector (health, agriculture/food systems, or education). As a result, nutrition is often poorly integrated into health systems, is not explicitly prioritized in financing for universal health coverage, and tends to be left out of health benefits packages, despite strong evidence of impact and cost-effectiveness.^{10,11}

Nutrition has also remained consistently *underresourced* across the board. Most notably, estimates suggest that less than 1 percent of official development assistance is designated for nutrition-specific programming, resulting in consistently large funding gaps.¹² Furthermore, nutrition receives an extremely small share of domestic health sector budgets, averaging 3 percent in LMICs.¹³

Alarming, the world is not on track to reach the financial commitments for the WHA's global nutrition targets by 2025. Specifically, as of 2022, there is a US\$2.1 billion shortfall in donor funding needed to meet nutrition-specific targets.¹⁴ Beyond gaps in donor funding specifically, the World Bank's 2024 Investment Framework for Nutrition estimates that reaching 90 percent coverage for

9 Sophie Witter, Natasha Palmer, Rosemary James, Shehla Zaidi, Severine Carillon, Rene English, et al., *Reimagining the Future of Global Health Initiatives* (Queen Margaret University, Geneva Centre of Humanitarian Studies, Aga Khan University, Cheikh Anta Diop University, Institut de Recherche pour le Développement, and Stellenbosch University, 2023), <https://futureofghis.org/research-other-inputs/reimagining-the-future-of-global-health-initiatives-study/>.

10 Asti Shafira, Victoria Fan, and Javier Guzman, "Nutrition Policy Playbook: Picking the Best Benefits Package," Center for Global Development blog, August 13, 2024, <https://www.cgdev.org/blog/nutrition-policy-playbook-picking-best-benefits-package>.

11 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell'Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

12 "How Nutrition Financing Can Keep Pace with Rapidly Increasing Needs: Considerations for Action by the SUN Movement Lead Group," Scaling Up Nutrition, September 4, 2023, <https://scalingupnutrition.org/sites/default/files/2023-09/23-09-04%20SUN%20Lead%20Group%20Meeting%20Background%20Paper%20-%20Nutrition%20Financing%20FINAL.pdf>.

13 World Health Organization, *Global Expenditure on Health: Public Spending on the Rise?* (World Health Organization, December 15, 2021), <https://www.who.int/publications/i/item/9789240041219>. The 3 percent share for "nutritional deficiencies" appears to be lower than other health focus areas—for example, domestic spending in LMICs for reproductive health averages 12 percent, infectious and parasitic diseases averages 37 percent, and noncommunicable diseases averages 26 percent. See Figure 1.17 in the World Health Organization report for more details.

14 "Donor Funding Gap for Nutrition Interventions Surpassed \$2 Billion in 2022, R4D Report Shows," Results for Development, July 24, 2024, <https://r4d.org/news/donor-funding-gap-nutrition-interventions-surpassed-2-billion-2022/>.

a package of evidence-based nutrition interventions would require an additional US\$128 billion over the next 10 years, US\$98 billion (77 percent) of which would be needed for LMICs.¹⁵

BOX 1. Rethinking the global health financing architecture

The evolution of global health financing has predominately centered on a highly medicalized approach, emphasizing advancements in high-tech health products. For example, the comparative advantage of global health initiatives such as Gavi, the Vaccine Alliance and the Global Fund to Fight AIDS, Tuberculosis and Malaria lies in their ability to pool financing to procure quality-assured vaccines, diagnostics, and treatments such as antiretrovirals, and to advance equitable access to these products in LMICs. This approach has driven impact and success, contributing to significant reductions in morbidity and mortality, alongside broader socioeconomic gains. However, it has been less successful at driving long-term health systems strengthening and capacity building, ensuring sustainable financing, aligning with country priorities, and advancing country ownership.¹⁶

These and related shortcomings underscore the urgent need to rethink the existing architecture. A growing number of efforts and initiatives are actively exploring potential reforms.^{17,18,19} Still, the precise mix of reforms and actions needed remains less clear.

Key dynamic 1: The overarching architecture for nutrition-specific financing is highly fragmented

The nutrition-specific financing architecture is complex and highly fragmented. This section explores three distinct factors that contribute to this fragmentation.

First, the existence of multiple sets of goals, targets, and guidelines that do not always align contributes to this challenge. For example, the WHA developed a set of global nutrition *targets* in 2012 to improve stunting, anemia, low birthweight, childhood overweight, breastfeeding,

15 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell'Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

16 Sophie Witter, Natasha Palmer, Rosemary James, Shehla Zaidi, Severine Carillon, Rene English, et al., *Reimagining the Future of Global Health Initiatives* (Queen Margaret University, Geneva Centre of Humanitarian Studies, Aga Khan University, Cheikh Anta Diop University, Institut de Recherche pour le Développement, and Stellenbosch University, 2023), <https://futureofghis.org/research-other-inputs/reimagining-the-future-of-global-health-initiatives-study/>.

17 Africa CDC, "Africa Calls for New Public Health Order," press release, September 29, 2022, <https://africacdc.org/news-item/africa-calls-for-new-public-health-order/>.

18 "The Lusaka Agenda: Conclusions of the Future of Global Health Initiatives Process," Future of Global Health Initiatives, December 12, 2023, <https://futureofghis.org/final-outputs/lusaka-agenda/>.

19 Tom Drake, Janeen Madan Keller, Pete Baker, and Javier Guzman, "A Time for Change: Reforming the Global Health Architecture," Center for Global Development blog, November 5, 2024, <https://www.cgdev.org/blog/time-change-reforming-global-health-architecture>.

and wasting by 2025.²⁰ In parallel, the Global Action Plan on Child Wasting supports UN agencies in developing *roadmaps* specifically for reducing wasting prevalence in 24 countries.²¹

Adding to the complexity, there are more than seven different sets of *international guidelines* for cost-effective nutrition interventions, all established by different organizations—the World Health Organization (WHO), the World Bank, and UNICEF—and housed across various documents. According to a CGD crosswalk analysis, “international guidelines regarding essential nutrition interventions are consistent—with the majority of interventions shared across at least two of the guidelines.”²² However, this does not address the practical challenge of accessibility, as relevant documentation is scattered across different sources and has been located through expert referrals rather than a central reference point. Furthermore, guidance on *how* to integrate nutrition interventions into existing health systems is limited.

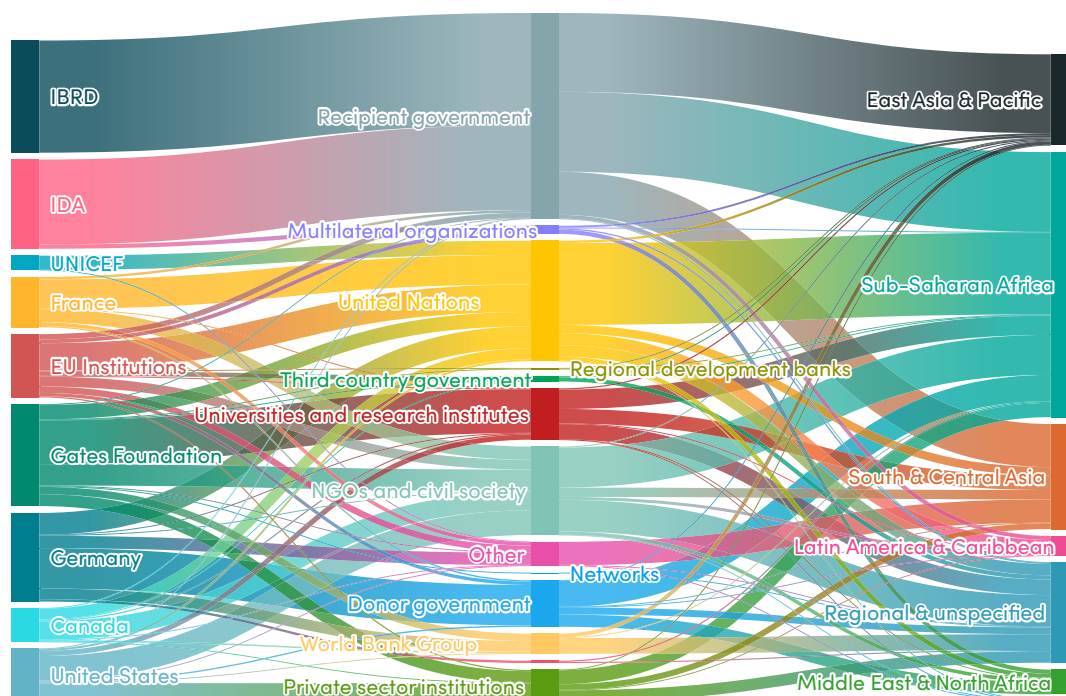
A second factor contributing to fragmentation is the complex web of nutrition aid flows from multiple funders—including bilateral governments, multilateral institutions, and private donors—to recipient countries (see Figure 1). The global architecture for nutrition-specific financing has evolved into a constellation of partners with their own parallel funding streams, often overlapping mandates, and distinct geographic areas of focus and programmatic priorities. This complexity is also reflected in data sources on nutrition financing, which utilize different methodologies and lack standardization, making it challenging to consistently and comprehensively track financing flows (see additional discussion under key dynamic 2).

20 “Global Targets 2025: To Improve Maternal, Infant and Young Child Nutrition,” World Health Organization, accessed February 7, 2025, <https://www.who.int/teams/nutrition-and-food-safety/global-targets-2025>.

21 “About the Global Action Plan on Child Wasting,” Global Action Plan on Child Wasting, accessed February 7, 2025, <https://www.childwasting.org/about-global-action-plan-child-wasting>.

22 Asti Shafira, Victoria Fan, and Javier Guzman, “Nutrition Policy Playbook: Picking the Best Benefits Package,” Center for Global Development blog, August 13, 2024, <https://www.cgdev.org/blog/nutrition-policy-playbook-picking-best-benefits-package>. See “Table: Crosswalk of Nutrition Guidelines and Interventions” in the CGD blog post for more details.

FIGURE 1. Fragmentation across financing flows for “basic nutrition”



Source: Authors' analysis of 2022 data for “basic nutrition” purpose code (12240), OECD Creditor Reporting System, accessed February 7, 2025.

Notes: Proportions depicted in \$US millions. Select donors include the top five bilateral donors, as well as the World Bank's International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA), the Gates Foundation, and UNICEF. The figure shows some aggregated channel names and regions for presentation clarity. According to the OECD Development Assistance Committee, the “basic nutrition” purpose code “is commonly used as a proxy for investments in nutrition-specific interventions, which are direct, high-impact nutrition interventions that address the immediate determinants and causes of undernutrition.” It is “the only way to systematically track nutrition investments within the CRS. However, this code is insufficient in capturing total aid for nutrition simply due to the inherent multi-sectoral and cross-cutting nature of nutrition programming within development.”²³ As a result, this figure may underestimate funding from certain donors (e.g., United States). Examples of interventions include micronutrient deficiency identification and supplementation; infant and young child nutrition promotion, including exclusive breastfeeding; non-emergency management of acute malnutrition and other targeted feeding programs (including complementary feeding); staple food fortification, including salt iodization; nutritional status monitoring and national nutrition surveillance; and research, capacity building, policy development, and monitoring and evaluation in support of these interventions.²⁴ (The authors relied on the OECD's “basic nutrition” code because Results for Development (R4D) data do not provide detailed information on funding channels.)

Key funders include *bilateral agencies*, such as the US Agency for International Development (USAID) and the UK's Foreign, Commonwealth and Development Office; *multilateral development banks*, including the World Bank; *UN agencies*, mainly UNICEF and the World Food Program; and *philanthropies*, such as the Gates Foundation (see additional discussion under key dynamic 2).

23 OECD Development Assistance Committee, “Proposal to Redefine the Basic Nutrition Purpose Code and Establish a Policy Marker for Nutrition,” DCD/DAC/STAT/RD(2017)11, June 15, 2017, [https://one.oecd.org/document/DCD/DAC/STAT/RD\(2017\)11/en/pdf](https://one.oecd.org/document/DCD/DAC/STAT/RD(2017)11/en/pdf).

24 “Development Finance Classifications,” OECD, accessed June 14, 2024, <https://development-finance-codelists.oecd.org/CodesList.aspx>.

Beyond these actors, recent years have seen the creation of new multilateral funding mechanisms with varying degrees of focus on nutrition. Examples include the Global Financing Facility (GFF), a partnership housed at the World Bank that broadly focuses on improving health outcomes for women, children, and adolescents, with nutrition as one of its specific focus areas;^{25,26} the Power of Nutrition, a partnership of investors and implementers (including the World Bank and UNICEF) with a multisectoral approach to addressing malnutrition in countries with a high stunting burden;²⁷ and, most recently, the CNF, a relatively new financing mechanism housed at UNICEF with a singular focus on undernutrition.

Fragmented financing flows at the global level often have direct implications at the country level. The sheer volume and complexity of different funding mechanisms, spread across bilateral partners and multilateral mechanisms, can create inefficiencies and redundancies at the national level in the form of parallel flows of service provision and supply chains across multiple agencies or ministries.²⁸ This ultimately limits country ownership.

Fragmentation among the multitude of players in the nutrition-specific financing landscape is further exacerbated by differences in goals and targets. The funders tend to operate with distinct yet sometimes overlapping areas of focus and often use different criteria to identify target countries and determine which nutrition interventions and/or products to prioritize.²⁹ For instance, the CNF focuses on countries with a high prevalence of wasting and/or stunting, while USAID and GFF each maintain their own unique lists of priority and partner countries, respectively. The result is parallel financing flows to different groups of focus countries that do not always align.

While in some cases this variance may exist for good reason, there are also potential downsides to focusing on different targets. One direct side effect of this fragmentation is potential gaps in prioritization and resource allocation. For example, external aid may not always be optimally allocated, and resources may not always be targeted to countries or regions with the greatest need. Put another way, funding flows may not always correlate with the highest undernutrition burden.³⁰

25 "About," Global Financing Facility, accessed February 7, 2025, <https://www.globalfinancingfacility.org/about>.

26 "Nutrition," Global Financing Facility, accessed February 7, 2025, <https://www.globalfinancingfacility.org/focus-areas/nutrition>.

27 Anitha Sivasankaran, Anu Rangarajan, Nikita Ramchandani, and Heather Ingraham, *The Power of Nutrition: How It Is Working and Early Learnings* (Mathematica Policy Research, December 30, 2017), <https://www.mathematica.org/publications/the-power-of-nutrition-how-it-is-working-and-early-learnings>.

28 Chia-Ying Lin and Mary D'Alimonte, "Strategic Opportunities to Scale Ready-to-Use Therapeutic Foods," *R4D Insights* (blog), December 15, 2022, <https://r4d.org/blog/how-to-scale-up-treatment-for-severe-acute-malnutrition/>.

29 "How Nutrition Financing Can Keep Pace with Rapidly Increasing Needs: Considerations for Action by the SUN Movement Lead Group," *Scaling Up Nutrition*, September 4, 2023, <https://scalingupnutrition.org/sites/default/files/2023-09/23-09-04%20SUN%20Lead%20Group%20Meeting%20Background%20Paper%20-%20Nutrition%20Financing%20FINAL.pdf>.

30 Kyle Borces, Mary D'Alimonte, and Jack Clift, "Is Aid for Nutrition Going to Countries That Need It Most?" *R4D Insights* (blog), July 3, 2019, <https://r4d.org/blog/is-aid-for-nutrition-going-to-countries-that-need-it-most/>.

When “donor darlings” receive most of the targeted support, this may leave insufficient resources for other LMIC countries with high nutrition burdens, known as “donor orphans.”^{31,32}

A third aspect of fragmentation stems from differences in financing approaches across the development and humanitarian sectors. Despite shared goals to address and treat undernutrition, funding mechanisms across the two spheres differ greatly. Most notably, humanitarian financing tends to be short-term, reactive, and often unpredictable. While this type of approach may be critical in emergency contexts, it can undermine longer-term planning and circumvent government delivery systems in contexts where humanitarian funding is flowing to protracted crises.³³ For example, countries often rely on humanitarian funding for wasting, even in nonemergency settings where wasting is a persistent, endemic issue.^{34,35} These varying approaches can create a mismatch in funding flows between the two sectors, exposing inefficiencies, especially where short-term emergency funding can hinder longer-term efforts to tackle undernutrition.

Given the differences in approach, it is essential to balance meeting more acute needs through humanitarian funding with more stable, longer-term funding models to support preventive actions that address the underlying causes of undernutrition.³⁶ Still, humanitarian funding to support wasting increased by 28 percent from 2015 to 2020, whereas development funding has been stagnant since 2017.³⁷

31 According to Results for Development research, “Donor orphans ... on average received limited nutrition donor aid relative to their malnutrition burden level and in comparison to other countries in their income group.” See Kyle Borces, Mary D’Alimonte, and Jack Clift, “As the Pandemic Shrinks Fiscal Space, Will Governments Prioritize Nutrition Funding?” *R4D Insights* (blog), July 28, 2020, <https://r4d.org/blog/as-the-pandemic-shrinks-fiscal-space-will-governments-prioritize-nutrition-funding/>.

32 Action Against Hunger, *Aid for Nutrition. Emerging Financing Mechanisms: Where Is the Value for Nutrition? A Specific Focus on GFF* (Action Against Hunger, June 2017), <https://www.globalfinancingfacility.org/resource/aid-nutrition-emerging-financing-mechanisms-where-value-nutrition-specific-focus-gff>.

33 Ilana Gelb, Liza Kane-Hartnett, Evita Mouawad Jourdi, Elizabeth Radin, and Heather Teixeira, *An Untapped Opportunity: Simplifying and Scaling Wasting Treatment* (International Rescue Committee, May 31, 2022), <https://www.rescue.org/report/untapped-opportunity-simplifying-and-scaling-wasting-treatment>.

34 UNICEF and Results for Development, *Ensuring Sustainable Financing to Accelerate Momentum on Wasting* (UNICEF, September 30, 2022), <https://www.unicef.org/reports/ensuring-sustainable-financing-accelerate-momentum-wasting>.

35 Jack Clift, Chia-Ying Lin, Yewedalem (Yodi) Tesfaye, Pili Mmbaga, Fantaye Teka, Rachel Huynh, et al., *Increasing Access to RUTFs: Scoping Solutions to Address Market Barriers* (Results for Development, March 2022), <https://r4d.org/resources/increasing-access-to-rutfs-scoping-solutions-to-address-market-barriers/>.

36 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

37 UNICEF and Results for Development, *Ensuring Sustainable Financing to Accelerate Momentum on Wasting* (UNICEF, September 30, 2022), <https://www.unicef.org/reports/ensuring-sustainable-financing-accelerate-momentum-wasting>.

Key dynamic 2: Nutrition-specific financing is reliant on external aid from a small group of core donors and remains highly volatile

Historically, nutrition-specific financing has been highly dependent on external aid, most notably in low-income countries. This generally mirrors trends in the global health financing landscape, particularly those in other health focus areas such as HIV and tuberculosis.³⁸

In addition, external financing for nutrition-specific interventions tends to be dominated by grants that are mostly channeled *off-budget*. Off-budget financing runs parallel to—or outside—government systems, limiting visibility and integration into government budgets, planning, and prioritization processes. Still, there are some exceptions where financing is channeled *on-budget*, giving governments greater visibility into spending and promoting better integration with domestic budget cycles. Perhaps the most notable exception is the World Bank, which has become an increasingly important nutrition funder in recent years (see additional discussion below).

To drill down on the composition and scale of donor funding flows for nutrition-specific interventions, we explore available data across multiple databases due to the absence of a single, comprehensive data source on nutrition financing (see Annex Box A1). Specifically, we compare trends across two sources: (1) an Institute for Health Metrics and Evaluation (IHME) dataset focusing on the “newborn and child health—nutrition” focus area within development assistance for health more broadly, and (2) a Results for Development (R4D) analysis that includes financing for “nutrition-specific interventions” to meet the WHA targets based on data extracted from the OECD’s Creditor Reporting System (CRS).

Despite some key differences, one consistent takeaway is that external aid for nutrition-specific financing is concentrated among a small group of core donors. For example, the top 10 donors to the “newborn and child health—nutrition” focus area in the IHME dataset account for over 80 percent of total funding. This concentration is further exacerbated by the fact that the leading donors for nutrition are also the primary funders of initiatives in other health areas, such as maternal and newborn child health, and global health multilateral initiatives, such as Gavi and the Global Fund (see Box 2).

38 World Health Organization, *Global Expenditure on Health: Public Spending on the Rise?* (World Health Organization, December 15, 2021), <https://www.who.int/publications/i/item/9789240041219>.

BOX 2. Comparing top nutrition-specific donors to other global health funders

Existing constraints on external funding are compounded by the fact that the top donors for nutrition are also the same ones that support other health focus areas such as maternal, newborn, and child health, as well as global health more broadly. These funders include the United States, private donors, the UK, the Gates Foundation, and Germany (see Annex Table A1).³⁹

The top donors for nutrition also make substantial contributions to the multilateral global health funds—e.g., the Global Fund, Gavi, and GFF—as well as to other multilateral development bank funds and thematic funds for climate and education (see Annex Table A2).⁴⁰ Increasingly, the same donors are being called on to support a growing number of priorities and funds, which will put greater pressure on constrained resources and make trade-offs more acute, particularly in areas such as nutrition.

Three key categories of donors provide the bulk of external financing for nutrition-specific interventions: bilateral governments; multilateral institutions, including multilateral development banks (MDBs) such as the World Bank; and private donors, notably philanthropic foundations.

First, bilateral governments play an important role in nutrition-specific financing. While there is no single, comprehensive source of data on nutrition-specific financing, we rank the top 10 funders across the IHME and R4D datasets. Based on the most recent rankings, from 2022, bilateral donors such as the United States, the EU, the UK, Canada, France, and Germany stand out as leading funders across both sources (see Table 1). Notably, the United States, the UK, and EU institutions make up over half of total contributions for wasting.⁴¹ However, some differences in rankings across sources complicate efforts to track donor financing flows. For example, IHME ranks “private other” donors first, whereas R4D ranks the World Bank first, with each data source omitting the other. It is worth noting that “private other” likely ranks first in the IHME data because this category represents an aggregation of private donors (with the Gates Foundation categorized separately), unlike in the R4D data.

39 Based on analyses of data from Development Assistance for Health Database 1990–2022, Institute for Health Metrics and Evaluation, 2024, <https://ghdx.healthdata.org/record/ihme-data/development-assistance-health-database-1990-2022>.

40 Janeen Madan Keller, Clemence Landers, Nico Martinez, and Rosie Eldridge, “2024–2025 Replenishment Traffic Jam Redux: Are Donors Getting into Gear?” Center for Global Development blog, October 16, 2024, <https://www.cgdev.org/blog/2024-2025-replenishment-traffic-jam-redux-are-donors-getting-gear>.

41 UNICEF and Results for Development, *Ensuring Sustainable Financing to Accelerate Momentum on Wasting* (UNICEF, September 30, 2022), <https://www.unicef.org/reports/ensuring-sustainable-financing-accelerate-momentum-wasting>.

TABLE 1. Comparison ranking of top 10 nutrition-specific donors, IHME and R4D

IHME (Newborn and Child Health—Nutrition)	R4D (Nutrition-Specific Funding for Priority Interventions)
1. Private other	1. World Bank
2. United States	2. United States
3. France	3. Gates Foundation
4. Other	4. EU institutions
5. Germany	5. Germany
6. Canada	6. United Kingdom
7. Gates Foundation	7. Canada
8. Corporate donations	8. Sweden
9. United Kingdom	9. France
10. Netherlands	10. Netherlands

Sources: Development Assistance for Health Database 1990–2022, Institute for Health Metrics and Evaluation, 2024, <https://ghdx.healthdata.org/record/ihme-data/development-assistance-health-database-1990-2022>; Caroline Andridge, Abbe McCarter, Mary D’Alimonte, and Albertha Nyaku, *Tracking Aid for the WHA Nutrition Targets: Progress Toward the Global Nutrition Goals Between 2015 to 2022* (Results for Development, July 2024), <https://r4d.org/resources/tracking-aid-wha-nutrition-targets-global-spending-roadmap-better-data/>.

Notes: This table uses 2022 data extracted by the authors from the IHME and R4D datasets. In the IHME data, “private other” refers to private sector financial contributions (includes corporations, foundations, individuals, etc.) and “other” refers to interest, transfer of funds, refunds, and miscellaneous income earned by channel. See Annex Box A1 for more details.

Financing trends over time also underscore the volatility of bilateral assistance from certain donors. A notable example is recent steep budget cuts to UK aid, which have had a disproportionate impact on nutrition. Once a long-standing global leader in nutrition funding, the UK has plummeted down the rankings in recent years (see Figure 2). While the UK prioritized fulfilling its commitments to global health institutions such as Gavi and the Global Fund, cuts were absorbed by other health focus areas such as nutrition in 2021, when the UK government slashed its aid budget for nutrition by a staggering 60 percent compared to the previous year.⁴²

Beyond the UK, there are concerning downward trends in aid budgets for several European donors, among them France, Germany, the Netherlands, and the European Commission.^{43,44,45,46,47}

42 Save the Children, “Save the Children Warns of ‘Seismic Error’ as UK Government Cuts Nutrition Aid Spending by Over 60%,” press release, accessed February 7, 2025, <https://www.savethechildren.org.uk/news/media-centre/press-releases/scuk-warns-of-seismic-error-as-uk-gov-cuts-nutrition-aid>.

43 Burton Bollag, “France Slashes €1B More from Aid Budget,” *Devex*, September 27, 2024, <https://www.devex.com/news/sponsored/france-slashes-1b-more-from-aid-budget-108393>.

44 Andrew Green, “Germany Plans Billions in Cuts to Development, Humanitarian Aid,” *Devex*, September 10, 2024, <https://www.devex.com/news/sponsored/germany-plans-billions-in-cuts-to-development-humanitarian-aid-108259>.

45 Vince Chadwick, “The Netherlands Is Cutting Billions from Aid. What Happens Next?” *Devex*, July 7, 2024, <https://www.devex.com/news/sponsored/the-netherlands-is-cutting-billions-from-aid-what-happens-next-107691>.

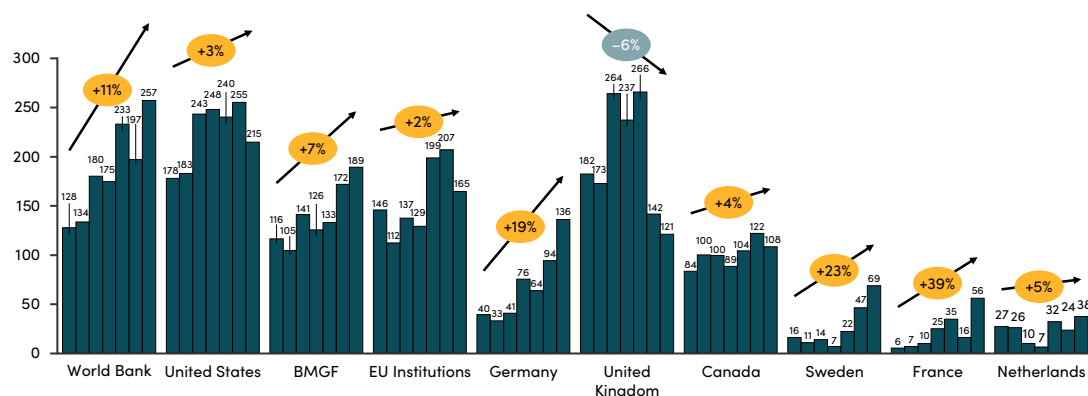
46 Vince Chadwick, “Scoop: The EU Aid Cuts Revealed,” *Devex*, September 26, 2024, <https://www.devex.com/news/sponsored/scoop-the-eu-aid-cuts-revealed-108390>.

47 Vince Chadwick and Miguel Antonio Tamonan, “EU Aid to Least Developed Countries Is Trending Way Down,” *Devex*, November 4, 2024, <https://www.devex.com/news/sponsored/eu-aid-to-least-developed-countries-is-trending-way-down-108620>.

Furthermore, the Trump administration’s recent 90-day freeze and “stop-work” orders on foreign assistance have created increasing uncertainty about the future role of the United States as a leading global health donor.^{48,49}

Recent aid cuts and heightened uncertainty about future funding exemplify the risks associated with dependence on external aid, which makes LMICs particularly vulnerable to fluctuations in donor support. Unpredictable and volatile funding can undermine long-term planning and lead to sudden disruptions in nutrition programming. It can also create specific challenges for product markets by limiting demand certainty for suppliers and interrupting access to lifesaving nutrition products.

FIGURE 2. Disbursements to priority interventions by the top 10 nutrition donors, with average annual percent change



Source: Caroline Andridge, Abbe McCarter, Mary D’Alimonte, and Albertha Nyaku, *Tracking Aid for the WHA Nutrition Targets: Progress Toward the Global Nutrition Goals Between 2015 to 2022* (Results for Development, July 2024), <https://r4d.org/resources/tracking-aid-wha-nutrition-targets-global-spending-roadmap-better-data/>.

Notes: Amounts in \$US millions covering the period from 2015 to 2022. Data do not reflect total donor nutrition spending, as nutrition-sensitive investments were excluded due to data limitations and because they were not costed in the global Investment Framework for Nutrition though they are critical investments to achieve the WHA targets.

Second, the increasingly prominent financing role of MDBs, particularly the World Bank, in recent years is a noteworthy trend (see Figure 2). In fact, the World Bank is now the top contributor to the WHA’s priority nutrition interventions, with disbursements increasing from US\$128 million in 2015 to US\$257 million in 2021, for an average annual percentage change of 11 percent.⁵⁰ With regard to nutrition-specific disbursements, the World Bank’s International Development Association

48 The White House, “Reevaluating and Realigning United States Foreign Aid,” press release, January 21, 2025, <https://www.whitehouse.gov/presidential-actions/2025/01/reevaluating-and-realigning-united-states-foreign-aid/>.

49 Michael Igoe, “Exclusive: State Department Issues Stop-Work Order on US Aid,” *Devex*, January 24, 2025, <https://www.devex.com/news/sponsored/exclusive-state-department-issues-stop-work-order-on-us-aid-109160>.

50 Caroline Andridge, Abbe McCarter, Mary D’Alimonte, and Albertha Nyaku, *Tracking Aid for the WHA Nutrition Targets: Progress Toward the Global Nutrition Goals Between 2015 to 2022* (Results for Development, July 2024), <https://r4d.org/resources/tracking-aid-wha-nutrition-targets-global-spending-roadmap-better-data/>.

has shown significant growth compared to other donors, with an annual increase of 55 percent between 2015 and 2017.⁵¹

Even as the World Bank's approach has expanded to encompass a vast portfolio of multisectoral and multidimensional nutrition projects across 64 countries, nutrition-specific interventions make up just under a quarter of the portfolio.⁵² The GFF represents an important vehicle through which the World Bank supports scaling up the delivery of high-impact nutrition interventions for women, children, and adolescents through the health sector. In fact, the GFF allocated 30 percent of its funding toward the World Bank's US\$1.84 billion nutrition investments in 22 countries, and an additional US\$14 million in GFF-specific funding.⁵³ CGD analysis from 2021 suggests that one of the most significant value-adds of the GFF model is its role in increasing World Bank lending in support of reproductive, maternal, newborn, child, and adolescent health and nutrition services—and, in some cases, driving increased partner country spending in these areas.⁵⁴

While the World Bank has become an increasingly important player in nutrition financing, the regional development banks (RDBs) have played a less prominent role to date. Although several RDBs have been working to strengthen their role in nutrition, a recent note published by the Scaling Up Nutrition (SUN) Movement argues that “concessional loans and grants have not been adequately leveraged for nutrition [...] and the full power of development banks has not yet been leveraged for nutrition.”⁵⁵

A third trend is the prominence of private donors, including philanthropies and foundations, that have contributed to a range of nutrition-focused efforts around the world. Notably, the role of the Gates Foundation as a major funder—whose contributions are comparable to (and even greater than) several bilateral donors—stands out across multiple data sources, including IHME, R4D, and the Global Nutrition Report.⁵⁶

51 Meera Shekar, Ellen Piwoz, Abigail Perry, Kyoko Shibata Okamura, Kedar Mankad, Emi Inaoka, et al., “More Money for Nutrition and More Nutrition for the Money,” *Nutrition for Growth*, April 2020, https://nutritionforgrowth.org/wp-content/uploads/2020/04/Financing_N4G_Appendix.pdf.

52 World Bank, *World Bank Support to Reducing Child Undernutrition: An Independent Evaluation* (World Bank, October 26, 2021), <https://ieg.worldbankgroup.org/evaluations/world-bank-support-reducing-child-undernutrition>.

53 “Effective Investment in Nutrition and GFF’s Unique Role,” *Global Financing Facility and Japan Center for International Exchange*, 2021, http://jcie.org/wp-content/uploads/2021/12/GFF_Nutrition_full_ENG.pdf.

54 Janeen Madan Keller, Rachel Bonnifield, Julia Kaufman, and Amanda Glassman, *Prioritizing Public Spending on Health in Lower-Income Countries: The Role of the Global Financing Facility for Women, Children and Adolescents* (Center for Global Development, December 17, 2021), <https://www.cgdev.org/publication/prioritizing-public-spending-health-lower-income-countries-role-global-financing>.

55 Scaling Up Nutrition, *Leveraging Nutrition Financing to Save Lives and Accelerate the SDGs* (Scaling Up Nutrition, November 2023), <https://scalingupnutrition.org/resource-library/information-notes/leveraging-nutrition-financing-save-lives-and-accelerate-sdgs>.

56 “Donor Spending: Nutrition-Specific and Sensitive Disbursements,” *Global Nutrition Report*, November 2022, <https://globalnutritionreport.org/resources/nutrition-growth-commitment-tracking/donor-spending-nutrition-specific-sensitive-disbursements/>.

Beyond the Gates Foundation, data from IHME—which compiles funding information from a wider range of private actors, including foundations, corporations, and individuals—uniquely position private donors as the leading source of development assistance for the “newborn and child health–nutrition” focus area over time. As a matter of scale, the 2024 Investment Framework for Nutrition also reports that financing commitments from 22 private foundations for a range of nutrition areas spanning both nutrition-specific and nutrition-sensitive interventions over the period 2014–2028 totaled approximately US\$2 billion, or just shy of US\$500 million per year.⁵⁷ Despite lack of consistent information on trends and other data gaps, there are some indications of recent increases in commitments toward high-impact interventions such as micronutrient supplementation for pregnant women, among others.

Taken together, these trends point to several challenges that could put future nutrition funding at risk. Concerningly, available data indicate a plateau in donor contributions to nutrition-specific funding since 2020.⁵⁸ This general trend is consistent with recently observed declines in development assistance for health more broadly, which reached a 13-year low in 2021.⁵⁹ These challenges are likely to intensify as foreign aid budgets shrink.

Stepping back, given the increasing unpredictability of bilateral donors, it will be critical to further leverage the role of the MDBs—including the World Bank and RDBs—while further engaging private donors and identifying nontraditional sources of financing.⁶⁰

Key dynamic 3: Nutrition-specific financing from domestic government spending is not sufficiently incentivized and has remained low

Government spending on nutrition has consistently remained low, and many countries lack visibility into how much is allocated and spent across nutrition priorities. Recent data from WHO’s System of Health Accounts provide insights into government spending on nutrition within the health sector, indicating that domestic nutrition-specific spending as a share of total health sector expenditures has seen an uptick, increasing from 2.6 percent in 2015 to 3.3 percent in 2021.⁶¹ However, a deeper

57 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

58 Caroline Andridge, Abbe McCarter, Mary D’Alimonte, and Albertha Nyaku, *Tracking Aid for the WHA Nutrition Targets: Progress Toward the Global Nutrition Goals Between 2015 to 2022* (Results for Development, July 2024), <https://r4d.org/resources/tracking-aid-wha-nutrition-targets-global-spending-roadmap-better-data/>.

59 Nupur Parikh, Jorge Rivera, Luca Picci, and Jenny Ottenhoff, “The Troubling Hidden Trend in Health Aid,” *ONE Data & Analysis* (blog), October 9, 2024, <https://data.one.org/data-dives/the-troubling-hidden-trend-in-health-aid/>.

60 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

61 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

dive reveals several important caveats. These increases are from a very low baseline, and the largest increases were seen in upper-middle-income countries. The statistics paint a concerning trend for certain countries with a high burden of undernutrition where domestic nutrition-specific expenditures constitute less than 2 percent of the overall health budget.⁶²

Domestic spending on nutrition-specific interventions in LMICs remains very low in absolute terms and is insufficient to meet growing needs. For example, nine low-income countries spent an average of US\$0.43 per person on nutrition within the health sector; by comparison, spending by eight lower-middle-income countries was only marginally higher, at US\$0.53 per person on average (see Figure 3).⁶³

Importantly, however, an expansion in domestic health spending more broadly does not always result in increased nutrition-specific expenditures.⁶⁴ For instance, domestic nutrition spending in some LMICs with a high undernutrition burden has been stagnant since before the COVID-19 pandemic, suggesting that “nutrition spending was not prioritized during a period of modest-to-good economic growth in most LMICs,” according to R4D.⁶⁵ This trend underscores the need to elevate nutrition as a priority within domestic health budgets and strengthen resource allocation for nutrition. Even when government budget allocations for nutrition increase, this does not consistently translate to proportional increases in actual spending.^{66,67}

The current fiscal context is likely to further exacerbate this low spending. The World Bank projects that government spending on health in 41 LMICs will remain *below* pre-pandemic levels through 2027.⁶⁸ Furthermore, domestic spending on nutrition in many LMICs with a high burden of undernutrition is not expected to recover until 2030.⁶⁹

62 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

63 Global Health Expenditure Database, World Health Organization, December 2024, <https://apps.who.int/nha/database>.

64 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

65 Kyle Borces, Mary D’Alimonte, and Jack Clift, “As the Pandemic Shrinks Fiscal Space, Will Governments Prioritize Nutrition Funding?” *R4D Insights* (blog), July 28, 2020, <https://r4d.org/blog/as-the-pandemic-shrinks-fiscal-space-will-governments-prioritize-nutrition-funding/>.

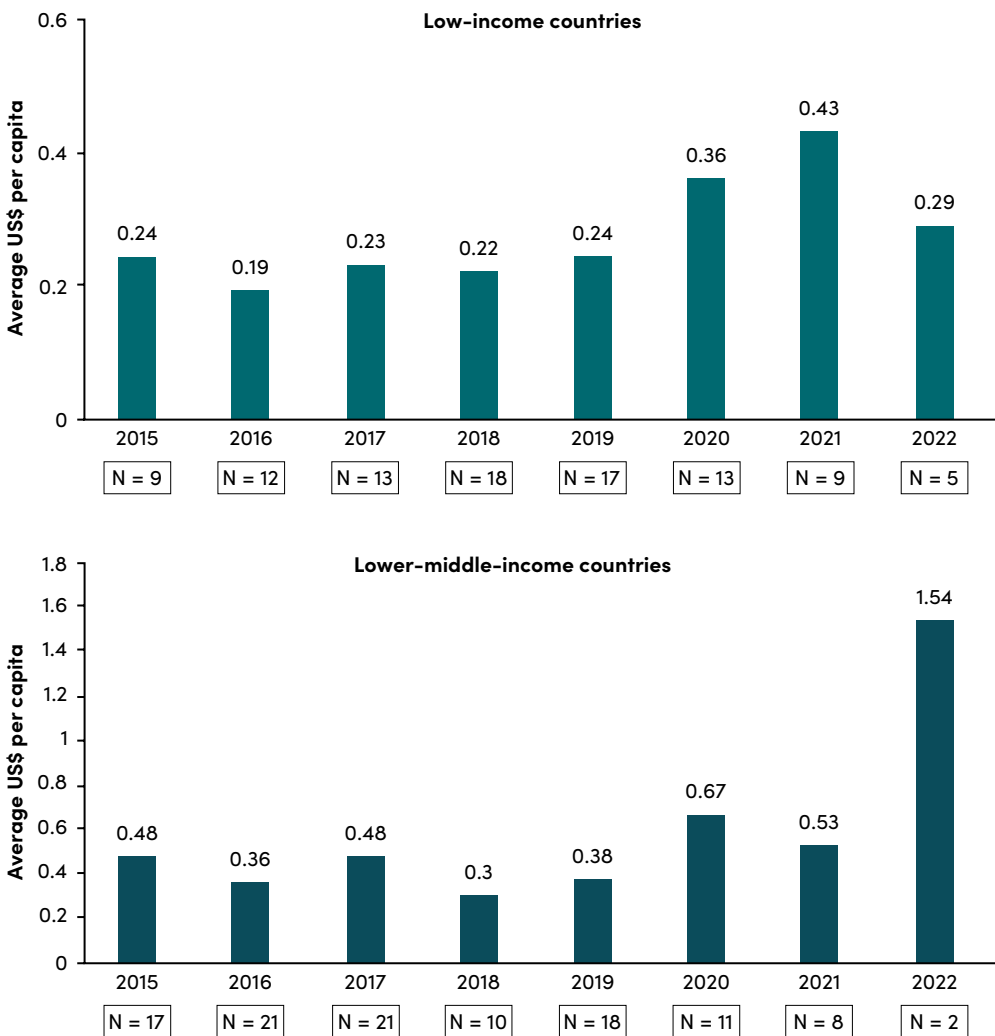
66 Independent Expert Group of the Global Nutrition Report, *2018 Global Nutrition Report: Shining a Light to Spur Action on Nutrition* (Global Nutrition Report, 2018), <https://globalnutritionreport.org/reports/global-nutrition-report-2018/>.

67 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

68 Meera Shekar, Kyoko Shibata Okamura, Mireya Vilar-Compte, and Chiara Dell’Aira, eds., *Investment Framework for Nutrition 2024* (World Bank, October 2, 2024), <https://www.worldbank.org/en/topic/nutrition/publication/investment-framework-nutrition>.

69 “How Nutrition Financing Can Keep Pace with Rapidly Increasing Needs: Considerations for Action by the SUN Movement Lead Group,” Scaling Up Nutrition, September 4, 2023, <https://scalingupnutrition.org/sites/default/files/2023-09/23-09-04%20SUN%20Lead%20Group%20Meeting%20Background%20Paper%20-%20Nutrition%20Financing%20FINAL.pdf>.

FIGURE 3. Domestic general government expenditure on “nutritional deficiencies” in low-income and lower-middle-income countries



Source: Authors’ analysis of 2015–2022 data from Global Health Expenditure Database, World Health Organization, December 2024, <https://apps.who.int/nha/database>.

Notes: Amounts in current US\$ per capita covering the period from 2015 to 2022.

These trends indicate that LMICs are particularly reliant on external assistance to support nutrition (as discussed earlier). This reality is partially attributable to the unintended consequences of external grant financing, which provides few incentives for governments to finance nutrition, creating moral hazard. In fact, there is some evidence that external grants can disincentivize domestic spending, based on a perception that nutrition has been and will continue to remain externally financed.⁷⁰ Therefore, governments may (understandably) end up allocating domestic spending to other health areas, or even to priorities beyond health. Until substantial increases in

⁷⁰ Joseph L. Dieleman, Casey M. Graves, and Michael Hanlon, “The Fungibility of Health Aid: Reconsidering the Reconsidered,” *The Journal of Development Studies* 49, no. 12 (November 22, 2013): 1755–62, <https://doi.org/10.1080/00220388.2013.844921>.

domestic nutrition investments materialize, external support will be vital, but it should be structured to incentivize government spending given budget realities and available fiscal space.

Policy recommendations

Although the outlook for financing in the post-COVID era seems bleak, upcoming milestones present a window of opportunity to adjust the future course of nutrition-specific financing over the next decade. Specifically, the N4G Summit in March 2025 is a chance to catalyze new financial pledges and policy commitments, which will be especially important in the prevailing fiscal climate in which resources are overstretched.

Below we offer policy options to advance more stable, sufficient, and sustainable nutrition-specific financing going forward.

Recommendation 1: Leverage additional resources for nutrition by pooling financing with MDBs

Leveraging financing via the MDBs represents one opportunity to increase funding for nutrition at a time when countries are facing significant fiscal pressures on social sector spending and external grant financing is becoming increasingly constrained. This also provides a potential policy avenue to further embed nutrition into broader primary healthcare investments.

In particular, the MDBs—the World Bank and the RDBs—represent a significant source of financing for health sector priorities. Despite some progress, the potential to leverage concessional financing for nutrition via the MDBs has not yet been fully realized.⁷¹ Global nutrition financing partners should therefore explore opportunities to work more closely with the World Bank, as well as the RDBs.

Specifically, pooling grant financing together with MDB operations can help leverage concessional financing toward nutrition-specific interventions. In practice, this effectively “crowds in” additional *on-budget* resources for nutrition from the MDBs. This approach offers the opportunity to align external funds more closely with national priorities and integrate them into countries’ budget cycles. It could also help address a broader set of underlying risk factors for nutrition through multisectoral programming via the MDBs.

Where nutrition donors “pool” resources on the back of MDB operations, they should have the opportunity to shape the design of these operations alongside recipient countries. In the case of the World Bank’s Program-for-Results (PforR) operations, such an approach has the added benefit of

71 “How Nutrition Financing Can Keep Pace with Rapidly Increasing Needs: Considerations for Action by the SUN Movement Lead Group,” Scaling Up Nutrition, September 4, 2023, <https://scalingupnutrition.org/sites/default/files/2023-09/23-09-04%20SUN%20Lead%20Group%20Meeting%20Background%20Paper%20-%20Nutrition%20Financing%20FINAL.pdf>.

aligning multiple partners around a harmonized set of disbursement-linked indicators focused on improving the coverage and quality of nutrition-specific interventions.

Institutional and operational barriers may prevent donors and institutions from utilizing these options. Potential roadblocks include mismatches in budget cycles or institutional procedures/requirements that prevent grant financing from being pooled with MDB operations. When an individual funder's budget cycle does not align with the approval timelines of World Bank operations, one option that has been previously suggested is a "rolling arrangement" that would allow donors to pool their grant financing during the implementation period.⁷² Notably, global health initiatives have made some progress on this front, with Gavi and the Global Fund both beginning to pool resources with World Bank health sector operations, though this approach is still not widespread.⁷³ Looking forward, continued learning from early experiences will be critical to identify ways to increase the range of benefits such an approach can offer to client countries while also understanding how to reduce the transaction costs incurred to facilitate these arrangements.

There may be additional financial innovations that merit consideration. As one example, in middle-income countries with high wasting prevalence—such as Indonesia and the Philippines—donors could explore loan buydowns for MDB operations with a specific nutrition focus.⁷⁴

Recommendation 2: Explore options to make external financing for nutrition more stable and predictable

Volatility in external financing is a well-documented challenge in the nutrition financing space. This volatility is particularly challenging for nutrition products because it hinders demand certainty and visibility for manufacturers, most notably where there are a multitude of smaller-scale manufacturers. In the prevailing macro-fiscal context, where the outlook for external funding from traditional government donors is increasingly uncertain, identifying financing modalities and instruments that can offer greater predictability and stability will be key.

72 Janeen Madan Keller, Rachel Bonfield, Julia Kaufman, and Amanda Glassman, *Prioritizing Public Spending on Health in Lower-Income Countries: The Role of the Global Financing Facility for Women, Children and Adolescents* (Center for Global Development, December 17, 2021), <https://www.cgdev.org/publication/prioritizing-public-spending-health-lower-income-countries-role-global-financing>.

73 Sustainable Financing for Health Accelerator, "Lessons Learned from Joint Financing of Health Systems Strengthening in Low- and Middle-Income Countries," *Future of Global Health Initiatives*, September 28, 2023, <https://futureofghis.org/research-other-inputs/lessons-learned-from-joint-financing-of-health-systems-strengthening-in-low-and-middle-income-countries/>.

74 See the example of an innovative results-based buydown mechanism focused on tuberculosis in Indonesia, where the Global Fund provided US\$20 million to reduce the interest and principal repayment: World Bank, "New World Bank Financing Aims to Strengthen Indonesia's Tuberculosis Response Program," press release, January 16, 2023, <https://www.worldbank.org/en/news/press-release/2023/01/16/new-world-bank-financing-aims-to-strengthen-indonesia-tuberculosis-response-program>.

One innovative financing option to consider is a “bond” model—Gavi’s International Finance Facility for Immunisation (IFFIm) offers one instructive example. With the World Bank acting as its Treasurer, IFFIm converts long-term, legally binding pledges from donors—for example, a US\$100 million pledge paid in US\$10 million increments over 10 years—into “vaccine bonds” that are issued on international capital markets.⁷⁵ This can provide a steady and predictable stream of financing to support health programs in LMICs, or provide immediate financing for response efforts in the case of an emergency.⁷⁶ In some instances, where there is need to support market-shaping capabilities, such an instrument can help “front-load” resources, providing greater predictability for programmatic planning and increased demand visibility.

Second, mobilizing resources to establish an endowment for nutrition presents an additional avenue to explore. The premise is that this would provide a steady, long-term source of financing for one or more funding mechanisms, potentially including the CNF. Flexible philanthropic resources could be particularly valuable in setting this up.

Recommendation 3: Prioritize long-term planning to prepare countries to transition from external financing to domestic financing

With an eye toward long-term planning, the nutrition financing community, together with partner countries, should chart out a more detailed pathway to sustainability that adequately prepares countries to transition away from external financing.

As part of this broader effort, donors and other funding partners should explore opportunities to incentivize domestic financing. One potential avenue for nutrition actors, such as the CNF, to pursue is cofinancing, a mechanism whereby donors provide funding on the condition that recipient-country governments contribute a certain amount of domestic spending toward health interventions, ultimately promoting sustainability and country ownership.⁷⁷ Additional options to consider may include differentiating countries based on their ability to pay and level of need, and tailoring financing instruments to various income groups.

75 “About IFFIm,” International Finance Facility for Immunisation, accessed February 7, 2025, <https://iffim.org/about-iffim>.

76 “IFFIm and Gavi Prepare for Future Global Emergencies,” International Finance Facility for Immunisation, accessed February 7, 2025, <https://iffim.org/news/iffim-and-gavi-prepare-future-global-emergencies>.

77 Victoria Fan, Susan Sparkes, and MyMai Yungrattanaichai, “Making Dollars and Sense: Conditioned Domestic Financing in Global Health,” Center for Global Development blog, September 30, 2024, <https://www.cgdev.org/blog/making-dollars-and-sense-conditioned-domestic-financing-global-health>.

In addition to providing strong incentives for domestic financing, there is a broader need to bolster core government capabilities for health system functions such as priority setting, resource allocation, demand forecasting, procurement, and supply chain management, among other areas.⁷⁸

Finally, nutrition partners should ensure close collaboration with other global health initiatives, such as Gavi for immunization, the Global Fund and the President’s Emergency Plan for AIDS Relief (PEPFAR) for HIV/AIDS, and the United Nations Population Fund and USAID for sexual and reproductive health, among others. Drawing on collective experiences across the global health landscape, global health institutions and their donors need to adopt a more coordinated, realistic, and transparent approach to domestic financing for health, prioritizing ways to align with and ultimately “co-finance” national priorities and domestic health budgets.^{79,80} However, the question about *how* countries can incrementally shift from an approach in which domestic financing requirements are determined or even “conditioned” by external funding partners to a model underpinned by country-owned and -led budgeting lacks a clear path forward.

Longer term, prioritizing high-impact nutrition interventions for inclusion in country-led health benefits packages can provide one pathway for a sustainable off-ramp toward greater domestic financing, while also providing a platform for greater integration of nutrition with other primary health interventions (see forthcoming CGD paper, “Nutrition Policy Playbook: Beyond the Silos—Diagonal Approach for Nutrition Integration into Health Systems”).

Recommendation 4: Ensure strong accountability for performance and results

To ensure accountability for performance and results, global nutrition partners should consider implementing results-based funding modalities. For example, nutrition partners could explore “performance compacts” with select countries to drive progress on specific nutrition coverage and quality indicators.⁸¹

78 Rachel Bonfield, Janeen Madan Keller, Amanda Glassman, and Kalipso Chalkidou, *Tackling the Triple Transition in Global Health Procurement* (Center for Global Development, June 17, 2019), <https://www.cgdev.org/better-health-procurement>.

79 Victoria Fan and Kalipso Chalkidou, “The Bread and Butter of Global Health Financing,” Center for Global Development blog, August 7, 2024, <https://www.cgdev.org/blog/bread-and-butter-global-health-financing>.

80 Zubin Cyrus Shroff, Susan P. Sparkes, Ligia Paina, Maria Skarphedinsdottir, George Gotsadze, Henry Zakumumpa, et al., “Managing Transitions from External Assistance: Cross-National Learning About Sustaining Effective Coverage,” *Health Policy and Planning* 39, Supplement 1 (January 23, 2024): i50–64, <https://doi.org/10.1093/heapol/czad101>.

81 Existing experience from the collective global health landscape could be helpful to draw from. The Health Results and Innovation Trust Fund operations at the World Bank and “end-use” verification surveys by the President’s Malaria Initiative are initial examples. For more about end-use verification, see Amanda Glassman, “End-Use Verification: Simple but Potentially Powerful,” Center for Global Development blog, August 12, 2011, <https://www.cgdev.org/blog/end-use-verification-simple-potentially-powerful>.

Performance incentives through MDB operations are another option to consider. Specifically, nutrition funding partners could advocate for (additional) nutrition-specific results indicators within MDB operations that include performance-based lending (e.g., the World Bank's PforR operations that include disbursement-linked indicators). These arrangements would require third-party coverage verification for payments and could also improve coverage data for nutrition interventions. Additionally, performance incentives could be designed to enable greater integration of nutrition interventions into other health services—such as immunization delivery—as part of broader primary healthcare investments.

Conclusion

Undernutrition is a leading cause of under-five mortality, yet nutrition interventions remain underprioritized and underresourced. Global economic pressures, competition for limited resources, and recent aid cuts are further straining funding for nutrition-specific interventions. Several key dynamics of the current financing landscape reinforce challenges for future funding. Nutrition-specific financing is highly fragmented on many levels, undermining coordination and efficiency. It remains heavily reliant on external aid from a small group of core donors whose funding is increasingly volatile amid cuts to aid budgets. Meanwhile, domestic government spending on nutrition-specific investments is not sufficiently incentivized and remains low.

The global nutrition community should adopt key policy recommendations to improve coordination and reduce fragmentation, make financing more stable and predictable, incentivize greater domestic investment in nutrition to promote country ownership, and engage more systematically and effectively in health financing conversations going forward.

Looking ahead, the upcoming N4G Summit offers an opportunity to keep the spotlight on nutrition in the broader global health and development agenda and to drive forward these essential reforms.

Annex

TABLE A1. Top donors across health focus areas

Total Development Assistance for Health	Maternal, Newborn, and Child Health	Newborn and Child Health—Nutrition
1. United States	1. Private other	1. Private other
2. Private other	2. United States	2. United States
3. United Kingdom	3. United Kingdom	3. Other
4. Germany	4. Gates Foundation	4. Germany
5. Gates Foundation	5. Other	5. United Kingdom
6. Debt repayments	6. Germany	6. Canada
7. Other	7. Canada	7. France
8. Japan	8. Norway	8. Gates Foundation
9. France	9. Sweden	9. Debt repayments
10. Canada	10. Netherlands	10. Corporate donations
Share of total funding: 80%	Share of total funding: 83%	Share of total funding: 81%

Source: Authors' calculations based on Development Assistance for Health Database 1990–2022, Institute for Health Metrics and Evaluation, 2024, <https://ghdx.healthdata.org/record/ihme-data/development-assistance-health-database-1990-2022>.

TABLE A2. Top donors for nutrition compared to top donors for five major global health initiatives

	IHME: Newborn and Child Health—Nutrition	The Global Fund to Fight AIDS, Tuberculosis and Malaria	Gavi, the Vaccine Alliance	Coalition for Epidemic Preparedness and Innovation	Pandemic Fund	Global Financing Facility
1	Private other	United States	United Kingdom	Germany	United States	Canada
2	United States	France	Gates Foundation	Norway	European Commission	Norway
3	Other	United Kingdom	United States	United Kingdom	Germany	Gates Foundation
4	Germany	Germany	Norway	Japan	Italy	Netherlands
5	United Kingdom	Japan	France	European Commission	Japan	Buffett Foundation
6	Canada	Canada	Germany	Wellcome Trust	France	United Kingdom
7	France	European Commission	Italy	Gates Foundation	China	Germany
8	Gates Foundation	Gates Foundation	Canada	Canada	Indonesia	Japan
9	Debt repayments	Sweden	Netherlands	United States	Saudi Arabia	European Commission
10	Corporate donations	Italy	Australia	Saudi Arabia	Canada	Qatar Fund for Development

Sources: Authors' calculations for column 1 are based on Development Assistance for Health Database 1990–2022, Institute for Health Metrics and Evaluation, 2024, <https://ghdx.healthdata.org/record/ihme-data/development-assistance-health-database-1990-2022>. Authors' calculations for columns 2–6 are based on pledges/contributions data in US\$ sourced from each global health initiative's website. Calculations are based on the following details: Global Fund: pledges from 2001 to 2025; Gavi: total pledges, excluding COVAX, from 2000 to 2025; Coalition for Epidemic Preparedness and Innovation: total pledges and contributions from 2017 to 2026; Pandemic Fund: total pledges from 2023 to 2025; and Global Financing Facility: total pledges and contributions from 2018 to 2023. See the full dataset in Janeen Madan Keller, Clemence Landers, Nico Martinez, and Rosie Eldridge, "2024–2025 Replenishment Traffic Jam Redux: Are Donors Getting into Gear?" Center for Global Development blog, October 16, 2024, <https://www.cgdev.org/blog/2024-2025-replenishment-traffic-jam-redux-are-donors-getting-gear>.

BOX A1. Note on IHME and R4D data

IHME data were analyzed from the “newborn and child health—nutrition” health focus area filter, which provides funding by source and channel from 1990 to 2022. R4D’s analysis tracks donor commitments from 2015 to 2022 against WHA’s priority nutrition targets, based on data on disbursements extracted from the OECD CRS dataset. As the R4D researchers explain, “[R4D] analysis uses disbursement data from the Creditor Reporting System and relies on project descriptions coupled with external document review to identify which interventions within the framework are being funded via the “basic nutrition” purpose code and beyond.”⁸²

Each of these sources utilizes different methodologies, making direct comparisons challenging. One example of a difference, though relatively minor, is variations in the ranking of emerging donors across data sources due to methodological inconsistencies.⁸³

It is also important to note the differences between how IHME data and R4D analysis (based on OECD CRS data) are structured in what they cover. These sources capture different types of donor data, leading to slight variations in the information they provide. For example, IHME includes a category for private donors (“other private”) as well as a stand-alone category for the Gates Foundation, whereas the R4D analysis includes funding only from the Gates Foundation. Additionally, the R4D analysis includes funding from the World Bank, whereas IHME does not include the World Bank as a funding source, but rather as funding channels (IDA and IBRD).

82 Caroline Andridge, Abbe McCarter, Mary D’Alimonte, and Albertha Nyaku, *Tracking Aid for the WHA Nutrition Targets: Progress Toward the Global Nutrition Goals Between 2015 to 2022* (Results for Development, July 2024), <https://r4d.org/resources/tracking-aid-wha-nutrition-targets-global-spending-roadmap-better-data/>.

83 See Jubilee Ahazie, Victoria Fan, and Asti Shafira, “Global Nutrition Financing: A Beginner’s Guide,” Center for Global Development blog, July 16, 2024, <https://www.cgdev.org/blog/global-nutrition-financing-beginners-guide>.