FP2020

FAMILY PLANNING'S
RETURN ON INVESTMENT

Resources for development are limited, and advocates often characterize family planning as a "best buy" creating ripple effects across many development sectors.

A growing number of women of reproductive age want to avoid pregnancy, and advocates must work to secure the financial resources needed to ensure that women and girls are able to decide for themselves whether and when to use modern contraception. A variety of studies make a strong economic case for family planning's return on investment (ROI), but the wide-ranging estimates also create confusion. To address this confusion, and to support the 2018 International Conference on Family Planning theme, "Family Planning, Investing for a Lifetime of Returns," FP2020 convened a group of experts and advocates who measure and communicate family planning's ROI to take action and help advocates continue to tout family planning as a best buy.

COMPARING DIFFERENT APPROACHES TO MEASURING FAMILY PLANNING'S RETURN ON INVESTMENT

For several decades, economists and demographers have made an economic case for family planning by attempting to estimate and monetize impacts. These estimates have used various approaches to assess the costs and benefits of providing family planning: different scales (a single country vs. all developing countries), different ways of estimating the costs of contraception, different timescales for measuring the benefits (short vs. long term), different types of outcomes (health vs. education and others), and different ways of measuring benefits (USD dollars saved vs. economic gains).

The graphic illustrates the differences between several commonly used studies and their estimates. Approaches such as **Adding It Up** and the **Family Planning and Millennium Development Goals Scenarios (MDG) Model** focus on the near-term savings of eliminating all unmet need for family planning, considering cost savings that accrue over different time periods and across different sectors. In contrast, the **Demographic Dividend Model**, the **Copenhagen Consensus** analysis, and new **Family Planning and Sustainable Development Goals Model (FP-SDGs)** focus on medium to long-term benefits, using different scenarios for contraception and looking at different types of health, economic, and other gains rather than savings.

WHAT IS FP2020?

Family Planning 2020 is a global community of partners working together to advance rights-based family planning. The FP2020 partnership was launched at the 2012 London Summit on Family Planning, with the goal of enabling 120 million additional women and girls in 69 of the world's poorest countries to use voluntary modern contraception by 2020.

FOR FURTHER INFORMATION:

familyplanning2020.org/ measurement-hub#roi

Please visit our website for more detail on the different approaches to measuring return on investment, as well as a webinar recording-*Family Planning's Return on Investment: What do the Numbers Mean?*

Special thanks to Guttmacher Institute, Health Policy+ Project, and Avenir Health.

FP2020 FAMILY PLANNING

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All of these analyses, if communicated clearly and carefully, can be used to make a strong economic case for family planning. It is important to note that these estimates are not interchangeable. No single model measures and monetizes all the savings and gains across the many sectors that family planning impacts. Family planning truly has a lifetime of benefits, from the individual impacts of improved infant and maternal health, improved education outcomes, and greater work-force participation, to the longer societal benefits of stronger economic growth and less environmental impact. Advocates should continue to characterize family planning as a best buy, focusing not on a single number, but rather the multitude of short and long-term benefits that family planning provides across a lifetime.

MODEL	OUTCOMES		
	SHORT-TERM	INTERMEDIATE	LONG-TERM
ADDING IT UP **PURPOSE:** To inform policymakers, advocates and funders of the benefits and costs of contraception and maternal and newborn health care **KEY TAKEAWAY:** Meeting the unmet need for contraception reduces the cost of maternal and newborn health services, by reducing the number of unintended pregnancies	Every additional **$1** above the current level invested in meeting the unmet need for contraceptives saves **$2.20 in pregnancy-related care**	*Not analyzed in this model*	*Not analyzed in this model*
MILLENNIUM DEVELOPMENT GOALS **PURPOSE:** To advocate for family planning in a multi-sectoral environment **KEY TAKEAWAY:** The cross-sector benefits (measured by savings in meeting MDG targets) resulting from meeting unmet need for family planning exceed the costs	Across 16 countries for which the model was run, every **$1** invested in meeting the unmet need for contraceptives saved anywhere from **$2-$6 in costs to achieve MDG targets**	*Not analyzed in this model*	
COPENHAGEN CONSENSUS **PURPOSE:** To compare cost-effectiveness of different development interventions **KEY TAKEAWAY:** Family planning is among the most cost-effective development interventions - long-term benefits accrue from avoiding unintended pregnancies and averting infant and maternal deaths, putting countries on a path toward a demographic dividend	Every **$1** invested in meeting the unmet need for contraceptives yields in the long-term **$120** in accrued annual benefits: • **$30-50** in benefits from reduced infant and maternal mortality • **$60-100** in long-term benefits from economic growth		
FAMILY PLANNING-SUSTAINABLE DEVELOPMENT GOALS **PURPOSE:** To advocate for investing in family planning to help achieve the Sustainable Development Goals **KEY TAKEAWAY:** Countries will be in better position to meet the Sustainable Development Goals if family planning is prioritized in domestic policies, programs and budgets	*Not analyzed in this model*	Applications of this model show that improvements in **socioeconomic** status along with **investments in family planning** maximize progress towards the Sustainable Development Goals, including reducing poverty and food insecurity, and increasing income growth	
DEMOGRAPHIC DIVIDEND **PURPOSE:** To generate support for family planning and reproductive health investments among high-level policymakers outside the health sector **KEY TAKEAWAY:** Investments in family planning, education and the economy increase per capita GDP	*Not analyzed in this model*	Reduced fertility leads to **reduced maternal and child mortality** and **improved maternal and child health outcomes**; increased labor market productivity results in **increased GDP per capita**	