



Making the Global Financing Facility More Effective and Equitable in Ethiopia



Introduction

Ethiopia has achieved significant progress in strengthening its healthcare system and bolstering its healthcare workforce. This was accomplished through the government successfully mobilizing both domestic and external resources, and establishing effective coordination mechanisms. However, recent trends indicate a decline in external resources, emphasizing the need to mobilize more domestic resources and improve efficiency in the use of funds.

This policy brief provides recommendations to enhance the Global Financing Facility's (GFF) effectiveness as one of Ethiopia's external partners in health financing. These recommendations are grounded in a country-case study based on a literature review of published and unpublished materials, and an analysis of qualitative data generated from interviews with key informants.

Recommendations to the GFF

- **Harness civil society engagement**

The GFF should continue to enhance transparency and accountability by strengthening its engagement with civil society organizations in Ethiopia. It should encourage them to advocate the needs of vulnerable groups and to promote accountability and equity.

- **Carefully assess the support of private sector engagement**

The GFF should be careful about allocating public funds to private providers. It should support private sector engagement in public health only if this improves health equity and accessibility.

- **Leverage domestic resource mobilization**

The GFF should use its leverage to further increase co-financing of priority health interventions by the government both at national and subnational levels.

- **Invest in health system strengthening and primary healthcare**

The GFF should invest in strengthening the lower-level health system where primary healthcare is provided, because it will directly benefit the implementation of reproductive, maternal, newborn, child, and adolescent health and nutrition programs.

- **Invest in monitoring and evaluation systems**

The GFF should invest in monitoring and evaluation systems to track the impact of its interventions. Effective policies aimed at leaving no one behind should be based on reliable routine information systems.

- **Disclose investments to ensure accountability and transparency**

Information about the GFF's investments and health interventions should be easily and publicly available. This improves communication, transparency, and accountability.

Background

Ethiopia has made significant progress in building health infrastructure and developing human resources for health. This includes the training and deployment of over 30,000 health extension workers aiming to improve access to basic health promotion and disease prevention at community level. [1] As a result, Ethiopia was able to improve health outcomes and meet several millennium development goals ahead of 2015. The 1998 Health Care Financing Reform played a positive role in the development of the health system through increased resources for health. Ethiopia's total health expenditure per capita increased from US\$ 4 (1996) to more than US\$ 36 (2019/20). [2] Significant resources for health have been generated from domestic sources, as well as international development partners, enabling the total health expenditure to reach US\$ 3.6 billion in 2019/20. [3]

However, significant challenges remain for Ethiopia to fulfil its aspiration of achieving universal health coverage (UHC) by 2030. Progress towards UHC in Ethiopia requires advancement in two key dimensions:

- Ensuring a carefully prioritized package of essential health interventions is provided based on need.
- Providing financial risk protection when these services are used.

Ethiopia developed an essential health services package (EHSP) in 2019. It includes a generous list of

maternal, newborn and child health services, prevention and treatment of HIV & AIDS, tuberculosis and malaria as well as immunizations. [4]

The package has been co-financed by the government and donors, with the latter contributing over 60% of the resources. [5]

Recent trends show external resources are declining, which may pose a risk to the progress made. Consequently, Ethiopia's path towards UHC highly depends on the availability of a more sustainable financing mechanism from domestic sources – i.e., government budget – in the seven years leading up to 2030.

The Global Financing Facility (GFF) was established in 2015 to support the scaling up of access to affordable, quality care for women, children and adolescents, and it is one of several external health financing sources in Ethiopia.

This brief highlights recommendations on how to make GFF's investment in Ethiopia more effective towards a strong health system and health equity. It is the outcome of a country-case study assessing the impacts of the GFF in Ethiopia, carried out by CORHA and supported by Wemos.

By spotlighting these recommendations, this brief also aims to provide insights for other contexts where the GFF invests in healthcare systems.



Core Findings and Recommendations

1. Harness civil society engagement

Civil society organizations play a vital role in advancing equity and accountability in public investments, and in advocating social justice. They are instrumental in bridging gaps created or left unfilled by the public and private sector.

Civil society organizations may engage with the GFF by guiding investments for vulnerable groups, promoting accountability and equity throughout budgeting, execution, and evaluation, [6] seeking donor grants for reproductive, maternal, newborn, child, and adolescent health and nutrition projects,

and advocating (changes in) policies and strategies to strengthen the health system.

However, in practice, the engagement of civil society organizations in GFF decisions has been limited in Ethiopia, [7] which hinders their advocacy efforts.

To address this, the GFF should commit to strengthening its engagement with civil society organizations, also fostering closer interaction between these organizations and the Ethiopian governments.

2. Carefully assess the support of private sector engagement

The engagement of the private sector in the provision of public health services in Ethiopia is limited. Currently, the private sector provides less than 30% of health services while it receives 50% of out-of-pocket payments in the country. [8]

Through a study, the GFF assessed the potential scope for the private sector's role in the Ethiopian health system, highlighting ways of harnessing the private sector's resources. [9]

However, engaging the private sector needs to be weighed from both an equity and a financial risk protection perspective.

The GFF must ensure that potential support for stronger engagement of the private sector in Ethiopia's health system improves health equity and quality, and expands access to healthcare services to remote areas and vulnerable groups.

3. Leverage domestic resource mobilization

The GFF has provided technical support to health financing reforms in Ethiopia. These reforms have resulted in expanded health insurance coverage and, hence a reduced share of out-of-pocket costs in the total health expenditure, an increase in domestic resources for health, the establishment of a federation for private stakeholders in health, and improved data to inform decision-making. [10]

Supporting health financing reforms is a crucial intervention. While it may be difficult to assess who has contributed to the positive impact, the GFF is likely to have more leverage than other partners in supporting the health financing reforms by incentivizing an increase in the government's health budget allocation through various co-financing mechanisms.

4. Invest in health system strengthening and primary healthcare

A strong health system is essential to successfully improve reproductive, maternal, newborn, child, and adolescent health and nutrition. However, investing in different elements of a health system might not be a priority when basic family planning commodities are unavailable – as has been the case during the family planning commodity crisis over the past few years.

Recently, the government and development partners signed a compact memorandum of understanding on interim financing for family planning commodities. The GFF played a valuable role [11] by providing technical support and committing to work with the Ministry of Health to explore the use of the International Development Association (IDA) funding for this purpose, using disbursement linked indicators. [12]

To improve reproductive, maternal, newborn, child and adolescent health and nutrition, it might be more effective to strengthen the lower-level of the health system (primary care), instead of investing in higher-level health system structures, such as the Ministry of Health or Regional Health Bureau units. This would also be in line with the GFF's renewed focus on primary health care. [13]

5. Invest in monitoring and evaluation systems

The GFF co-develops investment cases in collaboration with host governments or uses existing strategies as investment cases. The latter happened in Ethiopia [14] where Ethiopia's health sector transformation plan served as the investment case. As a result, targets and indicators from this plan were adopted by the GFF to measure performance.

This comes with advantages and disadvantages. On the one hand, the GFF strengthens its alignment with government priorities, potentially improving efficiency and reducing fragmentation. On the other, the GFF's ability to monitor and evaluate the impact of its investments relies on routine information systems. The validity of these systems, in turn, depends on their quality and completeness. This results in limited control over efficient use of funds and a lack of data to effectively inform policy and decision-making. Moreover, it makes it difficult to attribute successes or failures to GFF support. [15]

In collaboration with other stakeholders, the GFF needs to invest strategically in improving the completeness and quality of the routine information systems. This includes full digitalization of district health information systems, as well as other data collection systems, such as systems with information about human resources for health and health financing. Furthermore, the GFF should undertake specific studies to better track the implementation and impact of its interventions.

6. Disclose investments to ensure accountability and transparency

To maintain transparency and accountability, the breakdown of GFF investments and expenditures on specific health intervention areas must be disclosed in formats that are simple to access, and data must be made available to the general public.

For instance, it should be simple for civil society organizations to get data on GFF allocation, disbursement, and utilization. This will provide them with the capacity to check for equity, accountability, and transparency, as well as ensuring that the needs of vulnerable groups are met.

About the authors



The Consortium of Reproductive Health Associations (CORHA), is a membership umbrella organization committed to the provision of comprehensive, integrated and sustainable reproductive health information and services in Ethiopia. We are one of the pioneering Ethiopian associations specialized in sexual reproductive health and have been actively engaged in different national platforms representing the interests of member organizations. Read more on corhaethiopia.org.et



Wemos advocates structural change to realize global health justice. Together with our partners around the world, we develop, propose and support evidence-based solutions to ensure that everyone, everywhere has optimal access to quality healthcare and is protected against threats to health. We are an international civil society organization, founded in the Netherlands in 1979. For more information, please visit www.wemos.org

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