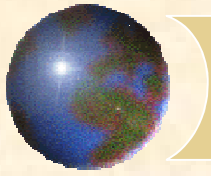


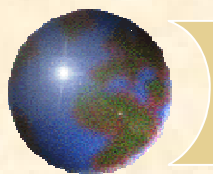
Tanzania Basic Health Services Project

As approved 20 December 2011



Context

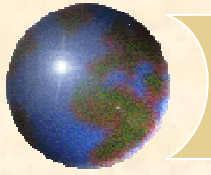
- ✿ With a 2010 population of approximately 43 million, Tanzania is the 7th most populous country in Africa
- ✿ Annual population growth is 2.9%; it is projected to remain high, only dropping to 2.7% by 2025
- ✿ NBS projections assume a significant drop in TFR and declining infant and under 5 mortality, resulting in a 2025 population of 65.3 million
- ✿ Despite high economic growth, poverty has not significantly declined, especially in rural areas
- ✿ In the health sector, significant progress has been made in a number of indicators
 - ✿ Both external review and Lancet attribute at least some of this to health system strengthening facilitated by the SWAp



Changes in Key Health Indicators

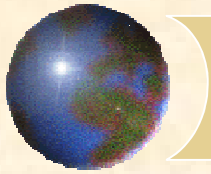
Indicator	1999	2004/05	2009/10	% Change 2004-2009	% Change 1999-2009
Infant Mortality Rate	99	68	51	-25.0%	-48.5%
Under 5 Mortality Rate	147	112	81	-27.7%	-44.9%
Maternal Mortality Ratio	529	578	454	-21.5%	-14.2%
Births in Health Facilities	36 %	46%	51%	+10.9%	41.7%
Total fertility rate	5.6	5.7	5.4	-5.2%	-3.6%
Contraceptive prevalence rate (modern methods)	17%	20%	27%	+35%	+59%
TB Completion Rates	81%	82.6%	88.0%	+6.5%	+8.6%
Outpatient Visits per Capita	0.71	0.78	0.74	-5.1%	+4.2%
Clinical staff/10,000 pop.	4.30	4.60	4.93	+7.1%	+14.7%

Source: Demographic and Health Survey, 2010; Annual Health Sector Performance Profile Report, 2010



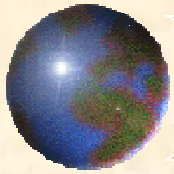
Context - Decentralization

- ❖ As a result of D by D, it is clear that progress in direct service delivery and resulting quality of life improvements (including MDG progress) is going to take place primarily at the LGA level
- ❖ Services at local level are under considerable stress, with issues of human resources, budget equity, funds flow, and management capacity
- ❖ Not enough GBS funding going to service delivery (e.g., recurrent MOHSW expenditures static/declining for some time)
- ❖ Current multiple sector-specific approaches have limited ability to address underlying cross-cutting management, fiduciary and accountability issues



Context – Health Basket Fund

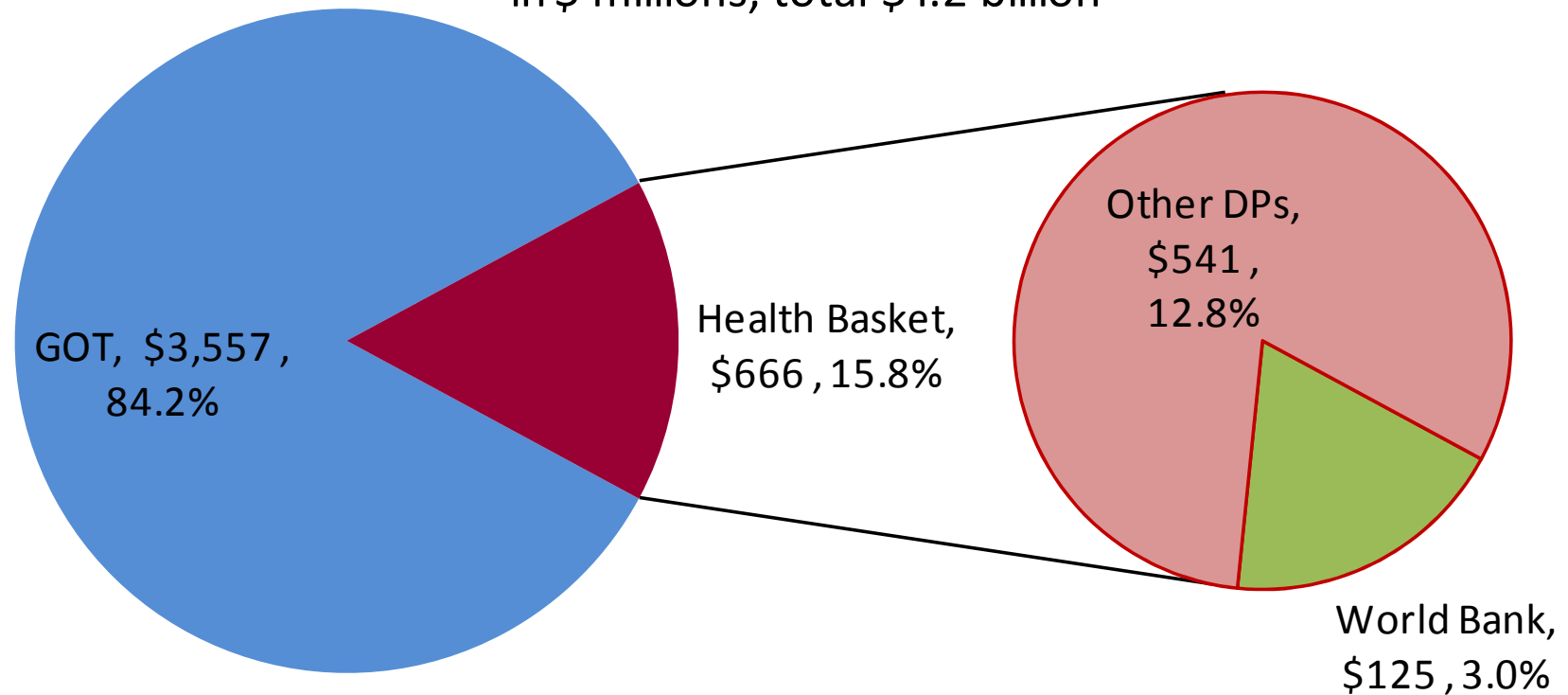
- ❖ financiers and the amounts they contribute change on an ongoing basis
 - ❖ current partners include: Ireland, Germany, Canada, the Netherlands, Denmark, Norway, Switzerland, UNICEF, UNFPA, the UN and IDA (World Bank)
- ❖ annual financing ~ \$90 million over the last several years, but FY12 estimate is \$116 million
- ❖ HBF totaled US\$666 million over the last 11 years, representing 15.8 percent of total public expenditures, with IDA providing 19% of these funds
 - ❖ HBF represented the majority of discretionary health sector funding, as most other GoT funds were earmarked for salaries and various vertical programs.

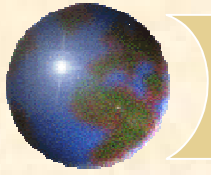


Context – Health Basket Fund

Health Sector Financing 2000/01 to 2010/11

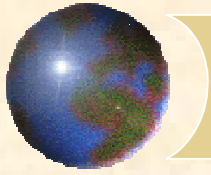
in \$ millions, total \$4.2 billion





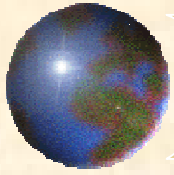
Rationale (cont'd)

- ✿ There is inadequate engagement between DP's and PMO-RALG/LGA's on sectoral issues
- ✿ GoT and DP's both want to use the LGDG system as the main vehicle for intergovernmental fiscal transfers
- ✿ Council Development Grants (CDG) and Capacity Building Grant (CBG) structures currently exist
 - CDG's are non-sectoral, distributed on a formula basis to LGAs, who invest in accordance with local needs as determined through local participatory planning and budgetary processes
 - CDG's finance primarily capital related costs
 - CBG's provide resources to LGAs to help them build their capacity to access and manage the CDG
- ✿ No complementary mechanism exists for grants to finance direct service delivery



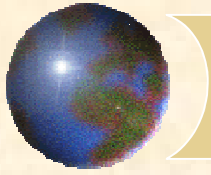
Project Alignment with WB Strategies

- A new Country Assistance Strategy (CAS) was presented to the Board in June, 2011, designed to support MKUKUTA goals, and focusing the following four objectives:
 - Promote Inclusive and Sustainable Growth
 - Build Infrastructure and develop Services
 - Strengthen Human Capital and Social Safety Nets
 - Promote Accountability and Governance
- Project contributes to the 3rd objective, which includes outcomes related to improvements in the access and quality of health care delivery.



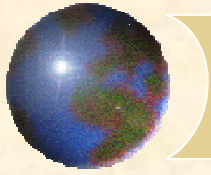
Project Alignment with WB Strategies

- ❖ The project also contributes to the new World Bank Africa Strategy:
 - ❑ Addresses Pillar 2 - Vulnerability and Resilience - by helping to improve access and quality of health services,
 - ❑ Contributes to Pillar 3 - Governance and Public-Sector Capacity - by strengthening accountability and building capacity of the health system at both the central and district levels.



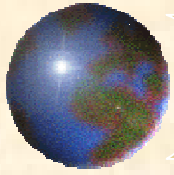
Project Development Objective (PDO)

- ✚ "assist the Government of the United Republic of Tanzania in improving the equity of geographic access and use of basic health services across districts and enhancing the quality of health services being delivered."
- ✚ Would be achieved by introducing innovative financing mechanisms for health service delivery to encourage effective and efficient management of health services at the local level and focus on quality improvement, within the framework of HSSP III



PDO Level Results Indicators

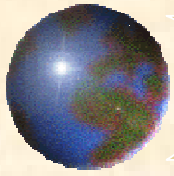
- ✿ Used to measure improvements in accessibility, use and performance
 - ✦ Uses existing HSSP indicators (with some manipulation)
 - i. Births taking place in a health facility (percent, national and broken down by LGA - access to and use of health services)
 - ii. Average outpatient attendances per clinical health worker by LGA (number, national and broken down by LGA - efficiency in delivery of health services)
 - iii. Average outpatient attendances per capita by LGA (number, national and broken down by LGA - access to and use of health services)
 - iv. Health facilities with any stock-outs of tracer medicines and vaccines (percent, national and broken down by LGA - quality of health services delivered);
 - v. Ratio of the 10 best performing LGA's to the 10 worst performing LGA's in indicators (i) through (iii) (variation in access, use and quality of health services)



Project Components

1. Support to Local Government Service Delivery - \$80 million (through HBF)

- ✓ block grants to promote efficient use of resources and equity in their distribution across LGA's
 - Allocation and use determined through CCHP process
 - Evolution to include performance and equity factors
 - Allocation methodology to be agreed in year 1 of project
- ✓ fund medical supplies, medicines, vaccines and contraceptive commodities to be procured centrally and used at the district level

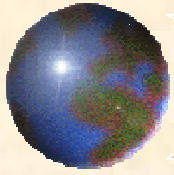


Potential Components (cont'd)

2. Capacity Building in Local Governments (\$11 million)

2(a) Improved Public Financial Management at the Local Level:

- i. CBG grants to LGA's to finance PFM improvements
- ii. central level funding to create zonal financial management support teams, and develop improvements in budgeting, planning, and financial reporting

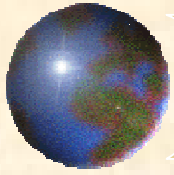


Potential Components (cont'd)

2. Capacity Building in Local Governments (\$11 million)

2(b) Strengthen Local Level Monitoring and Evaluation Systems:

- i. CBG grants to LGA's
- ii. centrally managed M&E strengthening activities consistent with MESI

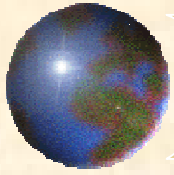


Potential Components (cont'd)

2. Capacity Building in Local Governments (\$11 million)

2(c) Improve Local Level Management & Accountability:

- i. CBG grants to LGA's
- ii. centrally managed interventions to improve DHMT and RHMT capacity including general management, HR management, procurement and governance and accountability mechanisms
 - including community scorecards, bulletin boards, complaints mechanisms and other means to increase public participation and strengthen public oversight



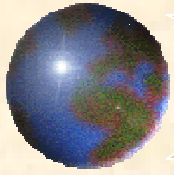
Potential Components (cont'd)

3. Central Programs to Support Service Delivery (\$9 million)

3(a) Supportive supervision (through HBF)

3(b) Non-Basket Funding for Central Project Support and Evaluation -

- ✓ improve development and implementation of Comprehensive Council Health Plans
- ✓ develop independent data verification approaches and promote social accountability mechanisms for an enhanced performance management process

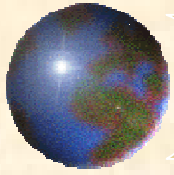


Potential Components (cont'd)

3. Central Programs to Support Service Delivery (\$9 million)

3(b) Non-Basket Funding for Central Project Support and Evaluation (cont'd)

- ✓ impact evaluation of the introduction of performance and equity indicators to the Allocation Formula
- ✓ external evaluation of the HSSP III (with other DPs)
- ✓ independent audit to assess LGA performance
- ✓ other interventions developed during the life of the project to support HSSP III or the Project

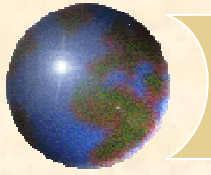


Potential Components (cont'd)

3. Central Programs to Support Service Delivery (\$9 million)

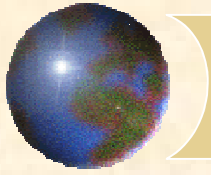
3(c) Non-Basket Funding to Support the National Action Plan for Health Care Waste Management

- ✓ assistance in the further development of the HCWM organizational and legal framework
- ✓ efforts to standardize the HCWM practices and improve management and monitoring procedures
- ✓ training and the provision of limited HCWM equipment.



Proposed Phasing (subject to agreement of partners)

- Continue to utilize HBF; agree on FY12 allocation
- Develop and agree upon a mechanism for assessing performance and/or equity, together with MoHSW, PMO-RALG and HBF DP's (FY12);
- Introduce initial performance and/or equity factors into the HBF allocation formula (FY13);
- Review the operation and impact of the initial set of factors and agree on a final set of factors and performance assessment mechanism (FY13);
- Incorporate the final set of performance and equity factors into the formula (FY14);



Proposed Phasing (subject to agreement of partners)

- ✿ Discuss the expansion of the revised HBF to other sectors with the relevant ministries and DP's (FY12-14);
- ✿ Agree on sector specific performance and equity factors which would be incorporated into the formula for each additional sector (FY13-14);
- ✿ Incorporate additional funding for the new sectors and the relevant performance and equity factors into the new SDG (FY15);
- ✿ Evaluate the process for the allocation using the new formulas and/or sectors (FY15).

