



PBA in the Health Sector

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The evolution of Cambodia's health sector reform

- ❑ 1992-1997 Strengthening Health Systems
- ❑ 1997 Start of SWAp discussions
- ❑ 1998-2001 Health Sector Reform Project
- ❑ 1999 Official MOH confirmation of support for a SWAp
- ❑ July 1999 Stakeholder Analysis on SWAp
- ❑ July 2000 MOH proposes sector-wide strategic plan and MTEF
- ❑ End 2000 Joint Health Sector Review
- ❑ August 2002 HSP 2003-2007, incl. MTEF and 5-year implementation framework

The evolution of Cambodia's health sector reform con't

- ❑ 2003-2007 HSSP
- ❑ April 2003 Joint Annual Health Sector Review
- ❑ 2004 CoCom converted into TWGH
- ❑ 2004 First AOP for 2005
- ❑ 2005 JAPR and National Health Congress (conduct every year)
- ❑ 2006/07 Mid-term review HSP
- ❑ early 2007 Presentation of the 2005 CDHS
- ❑ 18 December 2008 signed Joint Partnership Arrangement
- ❑ early 2011 (2010 CDHS)
- ❑ Mid 2011 Mid-term review 2nd HSP

PBA Principles

“a way of working together between government and development partners. The aim is to broaden Government ownership over public sector policy and resource allocation decisions within the sector, to increase coherence between policy, spending and results and to reduce transaction costs. It involves progressive development of a comprehensive and coherent sector policy and strategy, of a unified public expenditure framework for local and external resources and of a common management, planning and reporting framework”

The European Commission

Benefits of PBA

1. Governments:

- a) Be able to re-take ownership of the sector.
- b) Duplication, fragmentation and the sheer time and effort spent in accommodating numerous donor missions are reduced.
- c) Coherent strategy which is more likely to address poverty in a consistent and comprehensive manner.

2. Donors:

- a) increase development impact;
- b) Change in the way donors and partners interact. Government and donors work in partnership at all stages - from strategy and policy development, to implementation and assessment.

Key components of an effective PBA

- 1) Mechanism with Government Leadership for coordinating;**
- 2) Clear sector Policy and Strategy;**
- 3) MTEF and Annual Budget (AOP);**
- 4) Consensus on the process to harmonization on reporting, budgeting, financial management, and procurement;**
- 5) Broader dialogue mechanism**

Overview of PBA in the Health Sector

PBA Component	Present Situation
1. Government leadership for policy dialogue and aid coordinating	<ul style="list-style-type: none">• TWG-H (MOH Leadership), DIC• Joint donor missions;• Annual SWiM review meetings: JAPR;• SWiM agreement.
2. Sector Policy and Strategy	HSP enables the donor community to harmonize and align its activities and funding accordingly.

Overview of PBA in the Health Sector

PBA Component	Present Situation
3. MTEF and Annual Budget (AOP), Funding arrangements	<ul style="list-style-type: none">• 3 years rolling plan;• Annual Operational Plan;• Link between MOH and MEF;• Pooled and Discrete funding with external audits.
4. Moving to harmonized management systems for the sector	<ul style="list-style-type: none">• Quarterly and Semester Review• JAPR and AOP process• Sector M&E Framework
5. Broader dialogue mechanism	Diagram below

Health Sector Support Programme 2009-2013 (HSSP2)

Aid modality (higher level approach)	Aid delivery mechanism (sets our structure and nature of relationship)	Funding mechanism (defines systems & controls to manage financial support)
Sector-Wide Approach – development partners support provided to the Government for implementation of the Health Strategic Plan 2008-2015 (HSP2)	- Joint Partnership Agreement (JPA) - Joint Partnership Arrangement Development Partners Interface Group (JPIG)	-Pooled funding - Discrete accounts (quarterly advances)

Joint Partnership Arrangement (JPA)

***Royal Government
of Cambodia***

Ministry of Health

**Ministry of
Economy & Finance
(witness)**

***Development
Partners***

**Represented by
Joint Partnership
Arrangement
Development
Partners Interface
Group (JPIG)**

**Open for new partners to join any
time**

Joint Partnership Arrangement

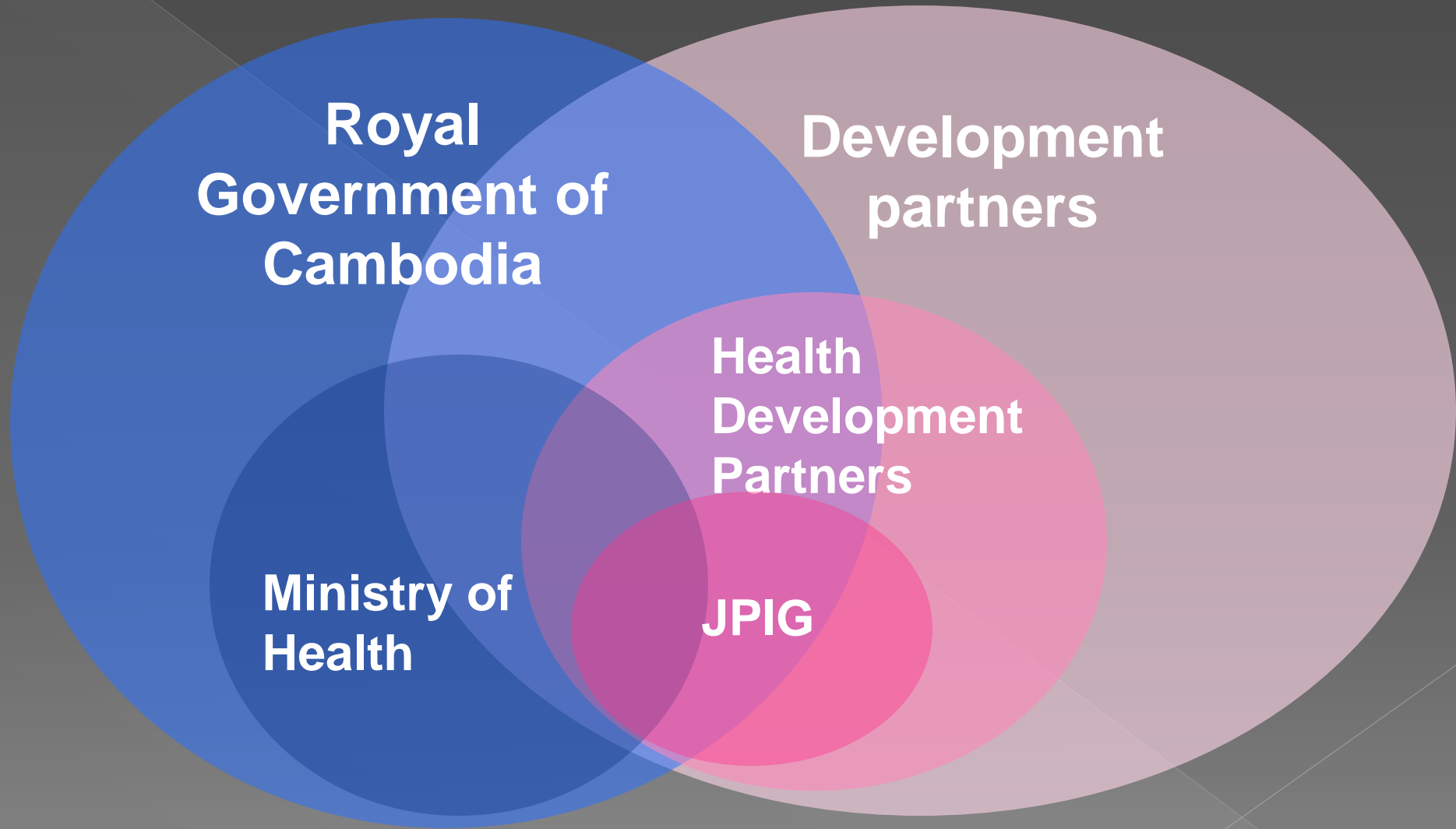
- Reflects commitment to harmonization to enhance aid effectiveness;
- Aims to rationalize scarce resources to maximize efficiency within health sector
Supports implementation of the second Health Strategic Plan 2008-2015 (HSP2)

Joint Partnership Arrangement signed on 18 December 2008

Partnership Agreement between the RGC and HSSP2 Partners (JPIG) which sets out responsibilities and management arrangements for:

- ❑ Consultation, information, coordination and decision making
- ❑ Annual planning processes
- ❑ Disbursement and financial management
- ❑ Procurement
- ❑ Reporting

JPIIG in the Development Arena



JPIG Working Arrangements

RGC

Ministry of Health

- Central Departments, National Programmes
- Provincial Health Departs
- HSSP2 Secretariat

Ministry of Finance

CAR

*Communication,
interaction*

Program Partners (JPIG)

- JPIG – Chair, Alternate Chair
- JPIG Facilitator
- Contacts for technical areas

JPIG – Who does what?

JPIG Contacts for technical areas: Advise JPA partners on issues in the technical area concerned; and lead JPIG technical interactions with the RGC and other partners

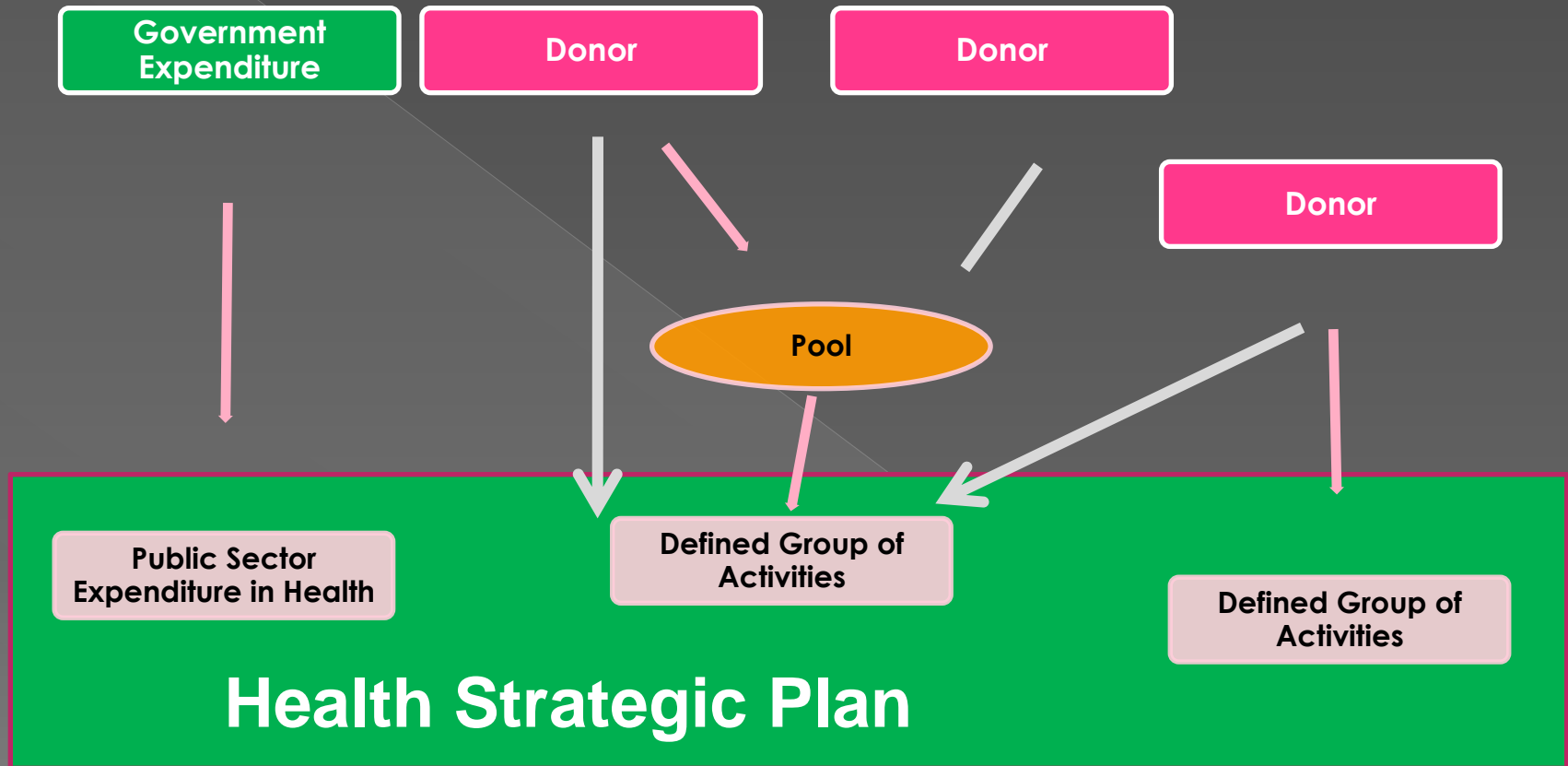
Tasks:

- **Engage with the relevant technical components of the Annual Operational Plans (AOPs) and provide comments on technical issues in order to strengthen HSSP2 implementation**
- **Be responsible for linking with other partners beyond the JPIG on technical issues to ensure consultation and coordination of efforts**

RGC and JPIG Management Arrangements

Ministry of Health (RGC)	Programme Partners (JPIG)
Leading policy and planning	Commit financial resources and ensure regular disbursements
Executing agency	Participate in Government planning processes (AOP, 3YRP)
Disbursement	Participate in Government review processes
Administration	Joint review and monitoring of program
Implementation	
Monitoring	
Technical and financial reporting	

Health Sector Financing Modalities



**Sector
Policy/
Strategy**

**Harmonized
Systems**

**MTEF and
Annual
Budget**

**Performance
Review**

**Sector
Funding
Mechanism**

**Client
Consultation**

**Policy
Dialogue**
**Government-Led
Coordination
Process**

Opportunities and Challenges

1. Opportunities

- MoH is one of the most capable of government ministries;
- Capacity improvements have also been achieved at sub-national levels;
- Health policy is relatively well developed and realistic;
- Greater knowledge of the principle of the PBA spreading among donors and government;
- Improvements in disbursing central funds have laid for the groundwork for the introduction of more sectoral ways of working by increasing trust in government system.

2. Challenges: Several important donors also remained unconvinced of the wisdom of a PBA approach

3. Facilitating conditions: Incentives and performance-related rewards

Lessons of good practice in establishing Sector Approaches

- **Government leadership and ownership;**
- **Avoid establishing parallel systems or processes;**
- **Ensure the close involvement of the MoEF;**
- **Ensure high level political support;**
- **Cautiously and realistically on developing pooled funding arrangement;**
- **Establishing common review processes and timetables.**
- **Give attention to procurement issue.**

Conclusion

- MoH allows pooled and discrete funding
- Improved planning, implementation and monitoring activities.
- JAPR and JAPA with wide stakeholder participation;
- Monthly meeting of the TWGH and Pro-TWGH;
- PBA approaches have significantly reduced transaction costs.



Thanks for your attention