

## Financing

TRF support has focused on improving financial management capacity of provincial health departments.

### **Budgetary allocations and expenditure analysis in health (national, provincial and special areas)**

TRF supported three rounds of budget data analysis, including Medium Term Budgetary Framework (MTBF) budget allocations and projections relation to declared priorities. Health expenditures were reviewed at national, provincial and special area levels and issues identified for providing evidence for equitable budgetary allocations.

- This exercise has supported resource allocation targeting poor and vulnerable sections of the population, addressing equity issues, and has provided the basis for accountability and improved performance in the health sector.

### **Mitigation plans for fiduciary risks**

TRF provide assistance for the development of risk mitigation plans following a fiduciary risk assessment of the public finance management systems of the Khyber Pakhtunkhwa and Punjab health sector, which outlined a number of fiduciary risks.

- This exercise has assisted in mitigating financial and procurement risks, and in ensuring transparency and efficiency in public spending.

### **Health Department capacity for MTBF and output-based budgeting**

TRF supported the Punjab, Sindh and Khyber Pakhtunkhwa Health Departments in the preparation and roll out of output-based budgeting, and in developing the capacity of health officials in preparing budgets according to the MTBF. TRF monitored implementation of output-based budgets with an advisory role, and assisted in the development of training modules and in staff training with on-the-job support.

- The KP Health Department used this support for preparing budgets according to the MTBF in fiscal year 2011-12 using the output-based budgeting approach.
- Staff capacity in MTBF has been strengthened. In Punjab only, this covers 320 personnel including district staff.
- Government and development partner resources have been aligned with the health sector strategy, resulting in better utilisation of finances, more equitable resource allocation targeting geographical disparities, access and marginal groups, and improvements in service delivery.

### **Impact of NFC award and 18th Amendment and options for priority national health programmes**

TRF provided TA to evaluate the impact of the 18th Constitutional Amendment – appraising public financial resources, and future financial needs at federal and provincial levels – and to support ministries and departments of health and finance to maintain budgetary resources in the rapidly changing environment.

- The TA facilitated priority setting and decentralisation in the federal and provincial health departments during the complex pre-and post-devolution period.

### **Health sector financial management**

This ongoing TA is advising on health expenditure trends, helping to track the financial management assistance provided by TRF and to identify the scope for institutionalising the TA provided. It is assisting the Health Departments in developing a work plan for future Financial Management TA, supporting the adaptation of recommendations of the risk mitigation plans, including systemic changes required, and options for institutionalization.

TRF is also supporting the Sindh Department of Health to strengthen the financial management capacity of the Nutrition Cell. This TA will help with the smooth implementation of the Nutrition Programme, ensure that the financial management rules are followed, and that capacity is built to sustain the mechanisms and procedures established through the TA.

- This TA is strengthening the capacity of financial management staff in the provinces and special areas.

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