

Does health aid let governments off the hook?



Photo: [Phuong Tran/IRIN](#)

Health aid to Sub Saharan Africa partly replaces domestic health spending, rather than adding to it, say researchers (file photo)

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Donor aid to the health sector is in many cases replacing, rather than complementing, government health spending in the world's poorest regions including sub-Saharan Africa, according to new research.

Given a lack of transparency and incomplete data, it is unclear where governments receiving donor health aid are channeling national funds that would have gone to that sector, but analysts say states could be putting the funds toward other priority sectors.

Every US\$1 of health sector aid to Sub-Saharan African governments means ministries shift health funding from domestic resources by \$0.43 to \$1.14, according to a just-published [Lancet study](#).

When donor aid is a substitute for government health spending the result is generally a weaker national health system, say the report's authors.

The study notes that health aid given to NGOs in the respective countries has no impact on government health spending.

Where does the money go?

Researchers speculate some governments in sub-Saharan Africa receiving health aid may channel would-be health funds to other sectors they deem to be a priority - such as education.

"This is rational behavior," Tessa Edejer, coordinator of the World Health Organization's (WHO) [health systems financing department](#), told IRIN. "If donors are putting money into HIV you might decrease the amount put into HIV because you have very little for maternal health. It could be correcting inequities to hand my money over."

Or, when governments receive aid to the health sector they may stall national budget increases to health or spread domestic spending over several years, given the unpredictability of donor aid flows, said Gorik Ooms, professor at the Institute of Tropical Medicine in Antwerp and ex-head of Médecins Sans Frontières.

Report author Christopher Murray told IRIN: "If you have a broad view of development, it makes sense for a poor country to use its own money for other sectors; but health-focused aid experts may have a notion that these are countries with severe health problems and that every dollar of aid that comes in should be additional."

However funds are being used, analysts say [more transparency](#) is needed on all levels - from donors, recipient governments and specifically between finance and health ministries.

"We need to know at each level from the donor to [recipient] - what is the money being spent on?" said Oxford University research fellow Devi Sridhar.

Worldwide, developing countries increased spending on health by nearly 100 percent between 1995 and 2006 according to averages of WHO and International Monetary Fund financial tracking; outside donations to the sector rose from \$8 billion to \$19 billion in the same period, according to the [Lancet](#).

In Africa donor funding on health rose from 15 to 20 percent according to research by the Global Fund, while [government spending on health](#) care as a percentage of the national budget rose 0.3 percent from 2001 to 2007.

The increases are greater in parts of Asia, the Middle East and Latin America, which have experienced significant economic growth, said Murray.

"The fact that governments are committing more of their own resources to health is crucial," he told IRIN. "Aid from outside donors plays an important role but can fluctuate from year to year. Governments ultimately have to sustain themselves."

In 2001 African leaders agreed to increase health spending to 15 percent of their overall budgets but just three did so in 2007, down from seven in 2006 and six in 2005, according to Edejer.

Way forward

One way to ensure governments put up their share of health funding is for donors to support all sectors equally, or to give only to

those governments that keep domestic health funding stable, said Ooms. But other analysts are wary of imposing further conditions on recipient governments.

Murray recommends donors put more effort into boosting health ministries' capacity to absorb funds, as limited capacity could be a reason governments are moving funds to other sectors.

While donors may be tempted to give health aid to NGOs rather than to governments, in the long term it is governments that are responsible for delivering sound health services, research fellow Sridhar said.

The Lancet research team plans to analyze health financing in more detail in coming months and study individual countries to see how they take funding decisions, according to Murray. "We need to see why some countries - such as Malawi - get lots of health aid and scale up their domestic health spending, and why others do not."

Focusing on health outcomes, rather than just spending, must be at the heart of any future research, Sridhar said. "Spending and outcomes are poorly correlated. we still don't know how much 'health' we are buying for every dollar spent."