

Malawi German Health Programme (MGHP)

Health Sector Reforms

Challenge

The number of Malawian women delivering with the support of skilled birth attendants has risen from 56% in 2000 to 90% in 2016. However, in spite of this improvement, health indicators remain poor. The latest data from the Malawi Demographic & Health Survey 2015-2016 reported 439 maternal deaths per 100,000 live births. The newborn mortality rate stands at 27 deaths per 1,000 live births.

Key challenges are a lack of funding for health and the inefficient use of the funding available. The most recent National Health Accounts show that in 2014/15, total health expenditure for every Malawian was only US\$ 40. More than half of health financing was from international donors. Poor financial management and drug theft mean that not all funding reaches the patient. Centralized authority and weak management systems and skills hinder the efficient use of available resources. As economic growth in Malawi is slow and unsteady, and international aid for health unlikely to grow, improving the management and the efficiency in the use of funds of the health sector is vital to enabling Malawians to live healthier lives.

Our approach

To respond to these challenges and support the Malawi Government in achieving Universal Health Coverage, the Malawi German Health Programme (MGHP) focuses its assistance on implementing health sector reforms aimed at enhancing the efficient and effective use of resources. Aligning to priorities of the Health Sector Strategic Plan II (2017-2022) of the Ministry of Health and Population (MoHP), MGHP works in three areas.



Project name	Malawi German Health Programme
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Implementing organisation	Deutsche Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH
Project region	Malawi; Target districts: Dedza, Lilongwe, Mchinji & Ntcheu
Lead executing agency	Malawi Ministry of Health and Population (MoHP)
National partners	MoHP; Local Councils in target districts; Kamuzu Central Hospital
Duration	February 2017 – July 2020
Volume	20.650.000 EUR including co-financing from the Bill & Melinda Gates Foundation

Firstly, MGHP works on increasing the efficiency in health service provision in hospitals. In line with the Malawi decentralization policy, responsibility for health service delivery is passed to districts and Central Hospitals, empowering managers to take faster and better-informed decisions. MGHP is supporting these reforms, as well as providing implementation support to Kamuzu Central Hospital in Lilongwe. Development Advisors have been placed in the District Hospitals of Dedza, Mchinji and Ntcheu to support the hospital management.

MGHP also works on efficiency on the funding side. The MoHP has developed several performance-oriented health care financing initiatives. These include, among others, Results-Based-Financing supported by the German Gov-



Photo left: Ambulance at Mchinji District Hospital, which is supported by GIZ on hospital management © GIZ

Photo right: An accountant at Ntcheu district keeping financial records for the health sector © GIZ



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Photo left: Health workers and a GIZ Development Advisor discussing patient registers © GIZ

Photo right: Technical officers of the MoHP and partners discussing health financing policy © GIZ

ernment through KfW Development Bank. However, these initiatives are not always well aligned with one another. Thus, MGHP supports MoHP in developing a comprehensive Health Financing Strategy that incentivizes more efficient and equitable use of the scarce financial resources available.

Last but not least, MGHP supports Good Financial Governance in the health sector. Following a corruption scandal in 2012, strengthening public financial management is a high priority of the Government to rebuild the trust of Malawians and international donors. MGHP supports the local councils of Dedza, Lilongwe, Mchinji and Ntcheu in improving the accountability for health sector resources – from improved planning to financial audits.

Results in figures...

In May 2018, the Malawi Cabinet endorsed a hospital reforms white paper and by the end of 2018, all five central hospitals will become self-managed organizations and legally independent of the MoHP, which will retain a regulatory and supervisory role. Capacity development plans have been drafted based on an assessment of the management capacity of central hospitals. A training programme for management teams and the oversight boards is being developed in collaboration with the Malawi Institute of Management.

A health financing systems analysis supported by MGHP has laid the foundation for a health financing strategy for Malawi, which will harmonize efforts at addressing inefficiencies and guide innovations in domestic resource generation while maintaining a high levels of financial risk protection for Malawians.

MGHP has provided mentoring on financial administration in the health sector to three districts: Dedza, Ntcheu and Mchinji. Pre-audit exercises have been carried out with MGHP support in the districts for the financial year July 2017 to June 2018. It is expected that this will lead to a reduction of audit queries in the 2017/18 external audits of the health sector.

...and in stories

Stakeholders are looking forward to the implementation of the reforms MGHP is supporting. In the Ministry of Health, the Director of Planning and Policy Development, Mrs. Emma Mabvumbe, places a lot of hope on increasing efficiencies in the health sector. She says: "It is not very likely that we will see a great increase in funding in the near future. Increasing efficiency is the only way we can realistically implement the Health Sector Strategic Plan II."

Dr. Jonathan Ngoma, Executive Director of Kamuzu Central Hospital, expects that patients will benefit from hospital autonomy: "Our hospital faces many challenges, from lack of funding to understaffing. Management autonomy will not solve all problems – but it will allow us to become more flexible and creative to find solutions that will help us to serve more clients and improve the quality of care."

MGHP's support for Good Financial Governance at the district level has helped Dedza and Mchinji to unlock funds from the Health Sector Joint Fund (HSJF), which includes funding from the German Development Cooperation and other donors. "You have assisted us to do the bank reconciliation and related reports for HSJF. That is why we have managed to pay our utility bills because of your technical support." says Mr. Mazoni, a health sector accountant in Mchinji.

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