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HEALTH BUDGET BRIEF 2019/2020 | ZANZIBAR

KEY MESSAGES

- In FY 2019/2020, the total budget allocation in nominal terms for the health sector amounted to TSh 109.9 billion, constituting 7.7 per cent of the national budget, which represents a decline in share compared to 8.3 per cent share in the FY 2018/19 budget. The sector budget therefore remains significantly below the Abuja Declaration target of allocating of at least 15 per cent of the national budget to health. Given the demographic trends and the government's commitment to providing free healthcare to all citizens, the health sector requires a greater allocation of resources in the coming years.

- The government is urged to prioritise financing of the recently launched Community Health Strategy. Community health volunteers have a special role to play in ensuring that more women deliver babies in health facilities and make the recommended prenatal and postnatal visits, that mothers are taught the importance of eating healthily during pregnancy, the importance of exclusive breast feeding for a minimum of six months, and of seeking care for common childhood illnesses.

- Data from the Zanzibar Health Bulletin indicates positive strides in immunization coverage. For measles, coverage rose from 68.4 per cent in 2017 to 92.8 per cent in 2018; the proportion of children who are fully immunized has also risen from

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67.5 per cent in 2017 to 78.1 per cent in 2018. The government is advised to prioritize funding for the provision of all necessary vaccines for children under the age of one and to ensure that ringfenced funding for essential medicines is sustained.

- Overall budget execution for the MoH has undergone dramatic improvement, reaching a high of 72.7 per cent in FY 2018/19. However, budget execution rates for the development budget funded by RGoZ and DPs was 58 and 35 per cent respectively, which has serious implications for the performance of the health sector. In order to improve budget execution performance, the Ministry of Health could conduct a bottleneck analysis to identify areas for further improvement.

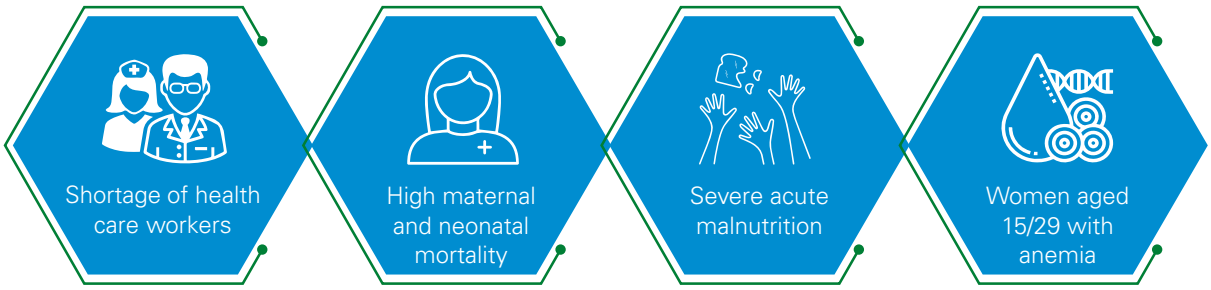
- Policy commitments in key initiatives such as Vision 2020 and MKUZA III (Five-year Economic Development Plan) and sector plans must be matched with adequate financing to deliver on commitments, particularly in respect of the recently completed Zanzibar Nutrition Multi-Sector Action Plan (ZNMAP).

1. INTRODUCTION

This Health budget brief update explores the extent to which the Zanzibar health budget addresses the needs of children below the age of 18. This brief focuses on analysing the levels and composition of budget allocations for the health sector in the fiscal years (FY) between 2017/18 and 2019/20. It also offers insights into the efficiency, equity and adequacy of past spending. The main objective of the brief is firstly to synthesize complex budget information for consumption by all stakeholders, and secondly to formulate key messages that can inform policy and budgeting decision-making processes in the near future.

The health sector is comprised of spending by the Ministry of Health, Mnazi Mmoja Hospital, and, since decentralisation took effect in 2017/18, Local Government Authorities (LGAs). Decentralisation is mandated in Vision 2020 and in the Health Sector Strengthening Plan (HSSP) III. LGAs, through the Council Health Management Teams (CHMT), are responsible for the delivery of primary health care services (LGAs).

Major challenges for the health sector



2. PERFORMANCE OF THE HEALTH SECTOR

Indicators for the health sector point to major challenges, particularly in respect of women and children, in spite of significant investment financed by the government and development partners (DPs) in recent years. Table 1 indicates that the infant and under-5 mortality rates are still high at 45 and 56 per 1,000 live births and that the maternal mortality rate is also of concern, which is 155 per 100,000 live births. These poor health outcomes require investment to address several challenges.

There is a severe shortage of health care workers, particularly in hard-to-reach and remote areas. There is less than one physician per 10,000 people and this ratio is worse in poorer and more remote regions. There are only 4 to 5 nurses per 10,000 people. The shortage of doctors, nurses and midwives for the delivery of children contributes to the high rates of mortality affecting pregnant woman, infants and children under the age of five. Ensuring an adequate number of health care workers requires further attention and investment, particularly in LGA budgets.

About a third of deliveries are not attended by skilled health personnel (33 per cent in 2018), according to the Zanzibar Health Bulletin 2018, and 60 per cent of women do not seek a postnatal check-up in the first 2 days after birth (TDHMIS 2015/16). This situation leads not only to maternal deaths, but also to low levels of education regarding care for a newborn, the importance of breast feeding, immunization and care-seeking for childhood illnesses. It is expected that the rollout of the Community Health Strategy (launched in 2020) and the operationalization plans for putting to work 1,746 community health workers across Zanzibar will go a long way towards improving critical indicators related to women and children.

The leading cause of child deaths in Zanzibar is severe acute malnutrition, with high rates of stunting and wasting at 21.5 and 6.1 per cent respectively of children under 5. Decentralisation by devolution (DbyD) presents both significant opportunities and risks for nutrition funding. From FY 2017/18, significant transfers have been made in favour of the district level. Consequently, ensuring that local governments have the ability to plan and budget for the new transfers, and to prioritize nutrition expenditure within the resource envelope, is of paramount importance.

Progress has been made in reducing the proportion of women aged 15/29 with anemia from 60.1 per cent in 2015/16 to 43.2 per cent in 2018[1]. However, according to the 2018 Health Bulletin, 7.8 per cent of maternal deaths were due to anemia. Antenatal care guidelines make iron and folic acid supplementation mandatory for all women, although stockouts indicate demand is higher than supply. Ensuring comprehensive coverage requires that women start antenatal visits before completing 12 weeks of pregnancy and attend at least 4 sessions before childbirth. These visits are as important for the health of the mother as they are for the baby, because through them women are also exposed to education and awareness raising programmes on the importance of eating healthful food during pregnancy, and the importance of exclusive breast feeding for a minimum of six months.

[1] Source: Tanzania National Nutrition Survey 2018 (TNNS 2018)

It is strongly recommended that Multiple Micronutrient Supplementation (MMS) should also be distributed to pregnant women in order to optimize maternal and foetal outcomes. Households living with young children should be supported with cash transfers to enable the family to access adequate healthy food. This could be done with a universal child grant that is disbursed to mothers until the child reaches the age of 2.

After a decline in immunization rates in 2017, there was an improvement in 2018. Administering the full range of immunization is critical for preventing some of the leading causes of death for children under five. Measles immunization coverage for children aged 9 to 18 months is 92.8 per cent according to the 2018 Health Bulletin, showing an improvement of 24 percentage points from 2017. However, the proportion of children who are fully immunized stands at just 78.1 per cent. Nevertheless, these rates exceed expectations given the fact that only 69 per cent of women deliver their babies at a health facility or are assisted by skilled health personnel. Such contact with health professionals has been seen to be the key entry point of the immunization process. The fact that immunization rates are higher than the percentage of new mothers receiving assistance by trained health care workers at the time of childbirth is the result of immunization campaigns.

Table 1: Health indicators

Life expectancy at birth (years) 2018[6]	65.2	**Coverage of insecticide-treated bed nets (% of households with at least one ITN) (2015-16) [1]**	73.8
Infant mortality rate per 1,000 live births [2016)[1]	56	**Total fertility rate (2018)[1]**	5.1
Under-5 mortality rate per 1,000 children (2016)[1]	45	**HIV prevalence rate (adults and children) %[7]**	> 1
Maternal mortality rate per 100,000 births (2018)[1]	155	**Physicians per 10,000 population[3]**	0.95
% Wasting / Children < 5 (2015/16) [8]	6.10	**Nurses per 10,000 population[3]**	4.65
% Stunted children < 5[8]	21.5	**Births attended by skilled health personnel (%) (2015-16)[1]**	69%
Presence of malaria in children 6/59 months (%) (2015/16)[1]	0.70	**Measles immunization coverage at under one year (2018)[9]**	92.8%
Children under 18 as a % of total population (2019)[2]	50.3	**Full immunization coverage at under one year (2018)[9]**	78.1
Top reason of hospital admission for adults (2018): Hypertension (% of admissions)[9]	9.4	**Top reason for hospital admission for children under 13 years: pneumonia (% of admissions)[9]**	19.9

Sources: [1] Tanzania Demographic and Health Survey and Malaria Indicator Survey (TDHS / MIS) 2015/2016; [2] OCGS Population Projections 2017; [3] MoH Performance Report 2015 ; [4] Tanzania National Nutrition Survey 2018; [5] NBS and OCGS (2018); [6] OCGS, Population Census 2012 ; [7] Tanzania HIV Impact Survey (THIS) 2016/2017; [8] Tanzania National Nutrition Survey 2018; [9] Ministry of Health, Health Bulletin 2018;

TAKEAWAYS

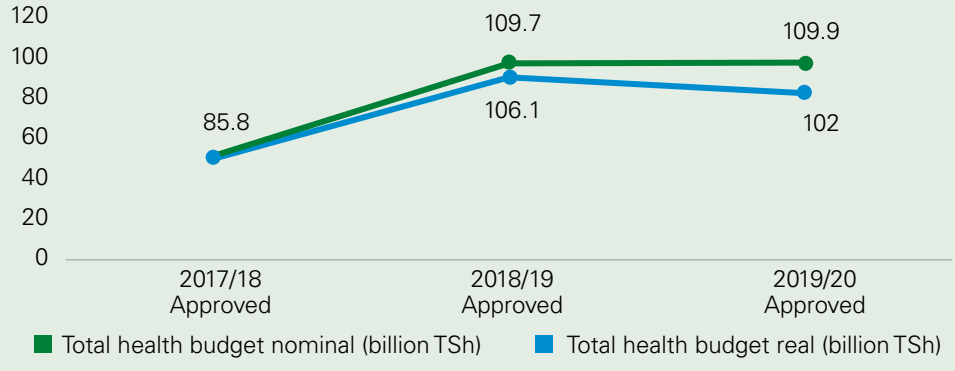
- Severe acute malnutrition is the leading cause of death among children under the age of 13 in Zanzibar (18.4%). Overall, more than a fifth of children are stunted and 6% suffer from acute malnutrition. Therefore, nutrition-specific funding should be prioritised in the budget allocation process in accordance with the ZNMAP.
- One of the main causes of the high maternal mortality rate is anemia, which is preventable through the provision of iron and folic acid. The current prevalence of anemia in women aged 15/49 is 43.2%[1]. Multiple micronutrient supplements should be provided to pregnant women in addition to iron and folic acid.
- Government commitment to funding the Community Health Strategy (launched in 2020) will go a long way in addressing the challenges highlighted here : attendance at ante-natal and postnatal clinics, the shortfall in full immunization of children, and the fact that one third of mothers are not attended by skilled health personnel at delivery.

3. HEALTH SPENDING TRENDS

Nominal budget commitments approved by the House of Representatives for the health sector grew by 28 per cent between FY 2017/18 and FY 2019/20, rising from TSh 85.8 billion in FY 2017/18 to TSh 109.7 billion in FY 2018/19 followed by a marginal increase to TSh 109.9 billion in FY 2019/20.

In real terms, the health budget increased from TSh 85.8 billion in FY 2017/18 to

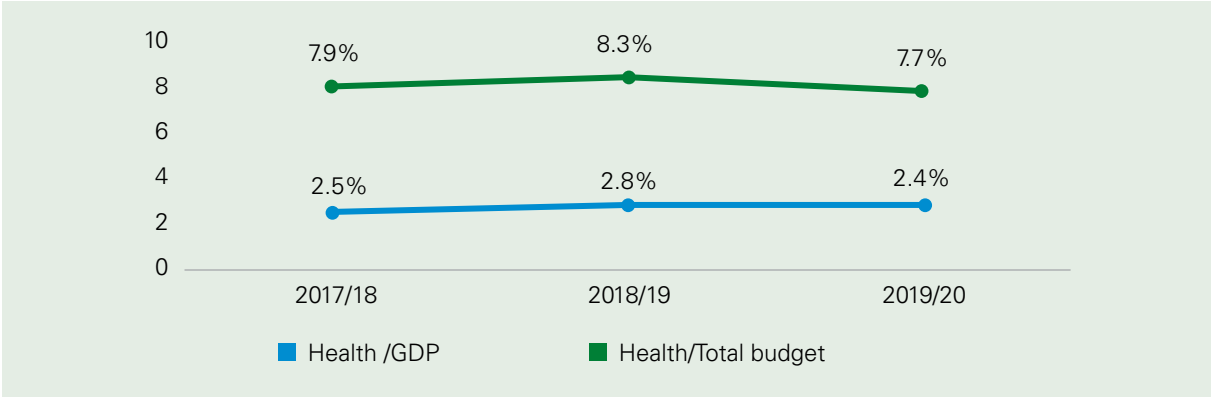
Figure 1: Nominal versus real budget allocations for the health sector from FY 2017/18 to FY 2019/20 (billion TSh)



Source: Calculations based on data from the Ministry of Finance, approved budget (various years)

[1] Source: Tanzania National Nutrition Survey 2018 (TNNS 2018)

Figure 2: Health budget share of GDP and total budget between FY 2017/18 and FY 2019/20



Source: UNICEF calculations based on data from the Ministry of Finance, approved budget (various years)

TSh 106.1 billion in FY 2018/19, but declined to TSh 102 billion in FY 2019/20 (Figure 1)[2].

The relative share of the health sector (both central and local) in the total budget increased from 7.9 per cent to 8.3 per cent between FY 2017/18 and FY 2018/19, but declined to 7.7 per cent in FY 2019/20 (Figure 2). Based on these spending trends it appears unlikely that the budget share of the health sector will move towards achievement of the target of 15 per cent of all expenditure as proposed by the Abuja Declaration.

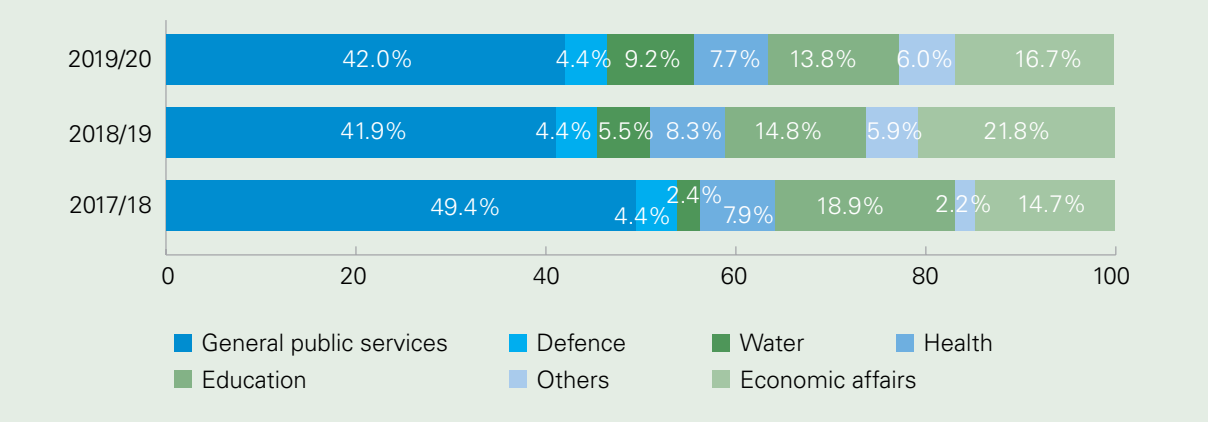
Health spending as a share of GDP is currently at 2.4 per cent, which is short of the WHO recommended 5/6 per cent. In order to ensure that the government allocates adequate resources to the health sector for achieving universal health care, the Ministry of Health is developing an essential healthcare package which will define and calculate the cost of the services to be provided at all levels.

The health sector is the fifth largest in Zanzibar. Due to data challenges with respect to actual spending, Figure 3 presents budget shares based on budget projections for all fiscal years. In FY 2019/20, the largest sector was general public services, at 42 per cent of the national budget, followed by economic affairs (16.7 per cent), education (13 per cent) and water (9.2 per cent). Figure 3 brings to mind important policy questions about the allocative efficiency or policy priorities of the national budget. Health and education indicators show that the social sectors are underfunded. Non-contributory social protection receives only 0.4 per cent, with half of that going to the universal old-age pension programme. Given the rate of population growth, combined with the government's commitment to providing free healthcare to all citizens, the health sector requires a greater allocation of resources in the coming years.

Addressing the direct and secondary impacts of the COVID-19 pandemic, especially on vulnerable groups, requires the mobilization of massive financial and human resources. This issue has implications not just for

[2] 2017/2018 is a base year for inflation adjustments

Figure 3: Approved budget shares of key sectors (% of total budget) from FY 2017/18 to FY 2019/20



Source: UNICEF calculations based on data from the Ministry of Finance, approved budget (various years)

the health budget, but also for the water, sanitation and hygiene (WASH), nutrition, education and social protection budgets.

In the reprioritization of expenditure, greater priority should be given to health, nutrition, and social protection programmes. Setting up of realistic fiscal envelopes for social sectors and establishing a sound monitoring mechanism for spending (budget execution) should be among the key measures. The health budget priorities should not only cover the increased expenditure related to the direct COVID-19 response; rather they should also encompass stepped-up allocations to ensure access to essential health services such as maternal and newborn health care, immunization, management of common childhood illnesses, nutrition support, supplies and commodities for routine services and treatment of major diseases, such as pneumonia and malaria.

TAKEAWAYS

- The health sector received 7.7 per cent of the approved FY 2019/20 budget and has remained stagnant in real terms over the last 3 years. Based on recent spending trends, it appears unlikely that the share of health will move towards achieving the target of 15 per cent of government expenditure set in the Abuja Declaration. Given the rate of population growth and the government's commitment to providing free healthcare to all citizens, the health sector will require a greater allocation of resources in the coming years based on the costing of the essential healthcare package that is currently in development.


Photography: © UNICEF Tanzania

4. COMPOSITION OF HEALTH SPENDING

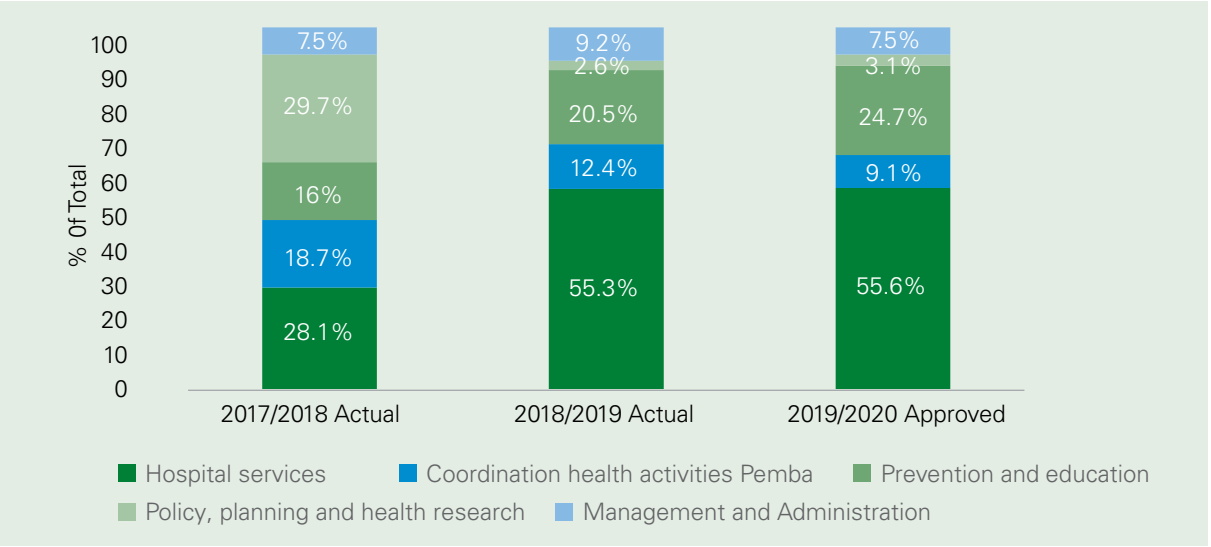
4.1 Breakdown of spending by Programmatic Area

It is well recognised that breakdown for health funding at local government level is not available, which hampers an analysis of spending across the health sector as a whole. In this section of the brief only the programmatic breakdown for the MoH budget is discussed.

Hospital services dominate the MoH budget, and their share has grown from 28.1 per cent in FY 2017/18 to a high of 55.6 per cent in FY 2019/20. This category includes the ringfenced funds for essential medicines, a welcome introduction in FY 2018/19 aimed at addressing stockouts. Administration of health services in Pemba has declined significantly from 18.7 per cent in FY 2017/18 to 9.1 per cent in FY 2019/20 (Figure 4). Encouragingly, the relative share of prevention and health education has grown from 16 per cent to 24.7 per cent during

Programme composition within MoH

Figure 4: Spending of the Ministry of Health by programmatic areas (%) from FY 2017/18 to FY 2019/20



Source: Calculations based on data from the Ministry of Finance, approved budget (various years)

the same period, a positive development given that Vision 2020 lists preventive health services as the number one priority in health and explicitly calls for increasing the budget dedicated to preventive services. It is imperative for prevention to be increasingly prioritized as it has the greatest impact on managing the cost of health expenditure for treating the already sick and reducing the high rates of mortality and afflictions such as wasting and stunting. One strategy for supporting preventive health is to fund the Community Health Strategy and strengthen the community health volunteers, who are well placed to address such priority issues as the promotion of exclusive breastfeeding, other nutrition interventions, early childhood development and referral to facilities, including for antenatal visits and deliveries.

The National Health Accounts (NHA) 2017/18 indicates that expenditure on non-communicable diseases (NCD) is high compared to other diseases. In FY 2017/18, expenditure for NCDs was 22 per cent of actual national health expenditure, much higher than expenditure on reproductive health, which was 9.1 per cent[3]. This situation reinforces the need for continued investment in preventative health in order to reduce the costs for treatment of NCDs.

[3] 2017/2018 is a base year for inflation adjustments

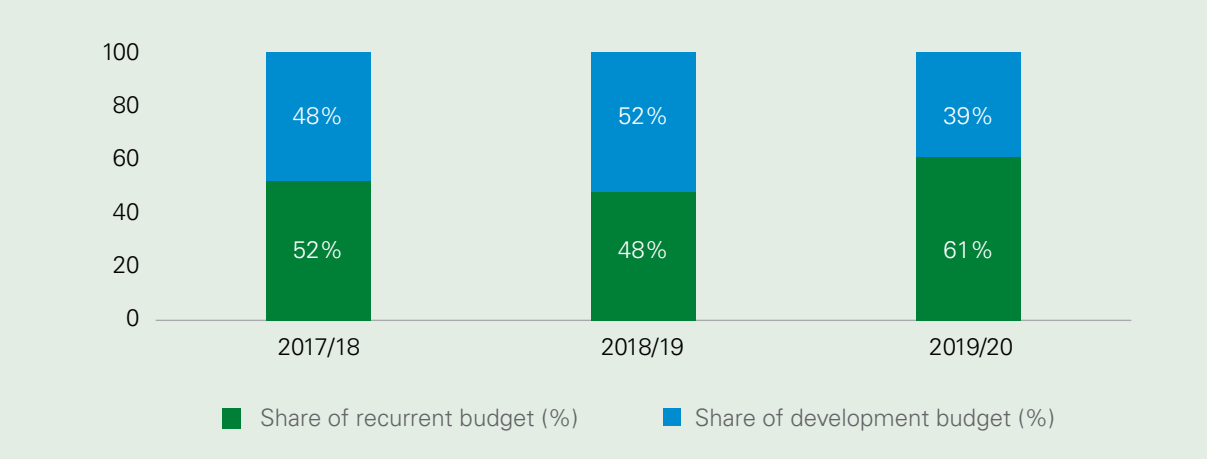
4.2 Health budget by economic classification

Due to the lack of disaggregation of the LGA budgets by recurrent and development expenditure, we are unable to provide an analysis of the entire health sector. RGoZ and M0FP are urged to ensure that the coding of LGA budgets is reviewed so that aggregate analysis of the entire health sector's budget and actual expenditure may be carried out.

The relative share of the development budget of the MoH has increased from 48 to 52 per cent between FY 2017/18 and FY 2019/20. However, it declined to 39 per cent in FY 2019/20. Consequently, the share of recurrent budget allocation has declined from 52 per cent in FY 2017/18 to 48 per cent in FY 2018/19. It went up to 61 per cent in FY 2019/20 (Figure 5). Salaries in the MoH budget have declined at a worrying rate from 32 to 12 per cent of the approved budget between FY 2017/18 and FY 2019/20 (Figure 6). Increase of the development budget and decrease in salaries are together indicative of the transfer of staff to local authorities as part of the decentralization process. Due to the non-availability of disaggregate data on recurrent and development expenditure at LGA level, we are unable to analyse the relative shares of developmental and recurrent components of the budget. That said a labour-intensive sector such as health, should have much higher rates of recurrent expenditure owing to the need to finance sufficient staff to manage and take care of ill patients and to deliver health care services. It must be emphasized that fulfilling this third goal may require the introduction of non-monetized incentives such as subsidized housing and transport.

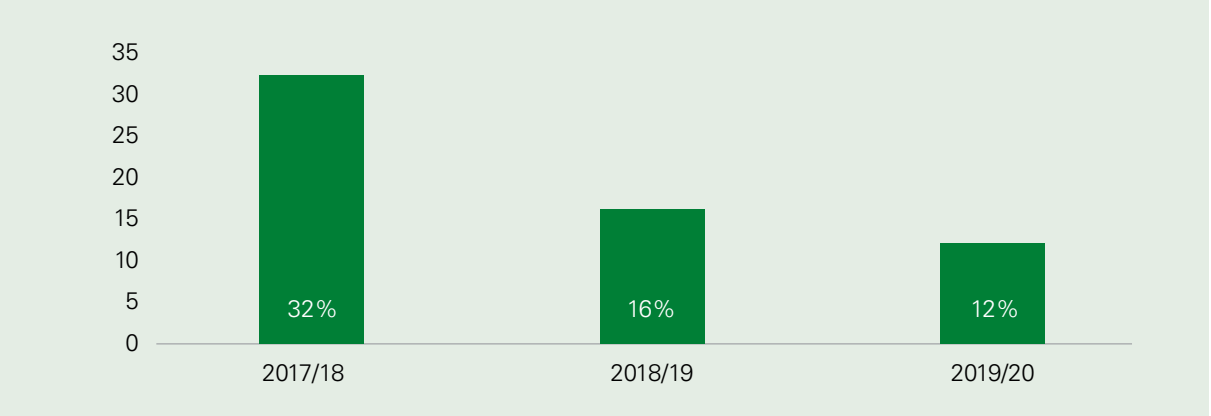
As per the analysis in section 2, the demonstrated scarcity of qualified nurses and doctors working in Zanzibar is very likely to have a direct relationship with poor health outcomes for at least a third of the population, with health indicators showing clearly that lack of staff and access to health care disproportionately affects children and women. Recruitment of qualified health workers should be a priority all levels, and particularly in primary health care facilities.

Figure 5: Approved recurrent and development budgets of MoH from FY 2017/18 to FY 2019/20



Source: Ministry of Finance, approved budget (various years)

Figure 6: Share of salaries in the total approved budget of MoH from FY 2017/18 to FY 2019/20 (%)



Source: Calculations based on data from the Ministry of Finance, approved budget (various years)

TAKEAWAYS

- It is encouraging to see spending on preventive health at MoH increasing in accordance with Vision 2020, which listed preventive health services as the number one priority in health. Prevention must be increasingly prioritized due to its high impact on managing the overall level of health expenditure on treating the sick and reducing the high rates of mortality and serious conditions, such as wasting and stunting.
- Salaries at MoH have declined from 32 to 12 per cent of the approved health budget between FY 2017/18 and FY 2019/20, which may be attributed to an increase in the share of the development budget and the transfer of human resources to local government authorities. The low health worker-patient ratios point to an urgent need to prioritize action to address the shortage of health care workers, to ensure treatment of those already sick, and particularly to improve staffing in hard-to-reach and remote areas.
- Due to the lack of disaggregation of the Local Government Authority budgets by recurrent and development, we are unable to provide an analysis of the entire health sector. RGoZ/M0FP are urged to review the coding of LGA budgets in order to allow aggregate analysis of the entire health sector's budget and actual expenditure.

5. BUDGET CREDIBILITY AND EXECUTION

This section reviews the budget execution performance of MoH by comparing approved budget with actual spending for selected fiscal years. However, it was not possible to extrapolate health expenditure from local government authorities. Therefore, improving the reporting and monitoring tools on spending at the decentralized level is crucial for understanding budget performance issues, resource gaps and wastage.

The overall budget execution rates of the MoH have improved dramatically between FY 2016/17 and FY 2017/18, increasing from an alarmingly low figure of 35.6 per cent in FY 2015/16 to a high of 70.9 per cent in FY 2016/17 and 70.4 per cent in FY 2017/18 (Figure 7). Success factors include improvements in domestic revenue collection, and more realistic planning following the introduction of Programme Based Budgeting. Despite this improvement, the budget execution rates for the development budget funded by RGoZ and DPs were 58 and 35 per cent respectively in FY 2017/18. The general improvement in budget execution rate has suffered a setback in FY 2018/19 which has witnessed a significant decline to 57.5 per cent.

While the absence of detailed data on the execution of specific funding lines makes it difficult to draw concrete conclusions, the data indicates poorer budget execution rates for donor funded programmes and activities are affected by late or non-release of funds. Once the National Health Accounts report is published for FY 2018/19 and FY 2019/20, further data on the budget execution should be assessed and, if possible, disaggregated to show programme/project level execution rates, either as part of the public expenditure review or national health accounts.

Low budget execution has serious implications for the performance of the health sector. MoH and PORALGSD are urged to monitor budget execution closely and take steps to address bottlenecks. In addition, to annual mid-year reviews, additional tools that can be used are

Figure 7: MoH Budget execution approved budget vs actual spending (%), between FY 2015/16 and FY 2018/19

Sources: UNICEF calculations based on data from the Ministry of Finance, approved budget (various years)

public expenditure reviews and bottleneck analysis. The last public expenditure review report for MoH was produced for the FY 2010/11 budget. Since then National Health Accounts have been produced bi-annually, the latest one being produced for FY 2017/18. In order to improve the budget execution performance particularly within LGAs that have only recently assumed critical health responsibilities, MoH and PORALGSD should conduct a bottleneck analysis to identify areas for further improvement.

TAKEAWAYS

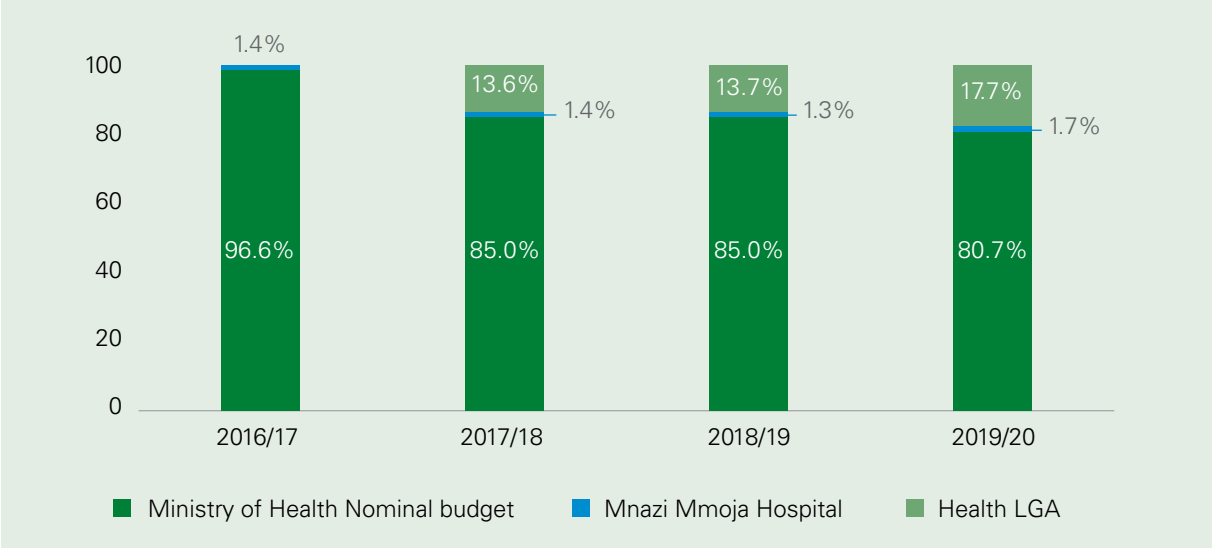
- Overall budget execution for MoH has undergone dramatic improvement, reaching a high of 70.4 per cent in FY 2017/18 which experienced a decline to 57.5 per cent in FY 2018/19. Moreover, the budget execution rates for the development budget , which has serious implications for the performance of the health sector has been significantly lower, standing at 58 and 35 per cent in FY 2018/19 for RGoZ and DP funds respectively. For further improving the budget execution performances at different levels, public expenditure reviews and bottleneck analysis can be used as additional tools to detect the key obstacles and barriers.

6. DECENTRALIZATION OF THE HEALTH BUDGET

Since FY 2017/18 the RGoZ has been promoting fiscal decentralization in selected social sectors, namely education, health and agriculture. The analysis shows that some funds have been allocated to LGAs to support primary health care services. However, due to lack of data, it was not possible to analyse spending at decentralized levels.

Allocations for health services delivered by LGAs accounted for 13.6 per cent of the total health budget in FY 2017/18 and FY 2018/19, with this share rising to 17.7 per cent in FY 2019/20 with a nominal value of TSh 19.5 billion (Figure 8). This allocation was disbursed according to the agreement made between the respective sectors and the PORALGSD, with basket fund disbursement modalities, and was mainly focused on the improvement of health service delivery at primary health care level.

Figure 8: Allocation of health budget between Ministry of ealth and LGAs between FY 2016/2017 and FY 2019/2020



Source: UNICEF calculations based on data from the Ministry of Finance, approved budget (various years)

TAKEAWAYS

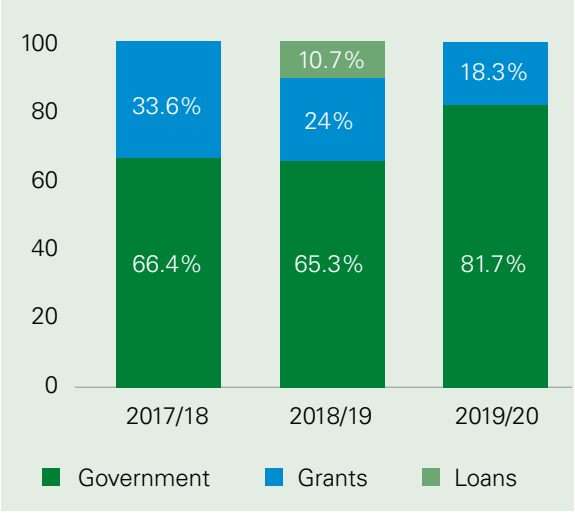
- Since FY 2017/18 the RGoZ has been promoting fiscal decentralization in the health sector. Funds have been allocated to LGAs to support primary health care services. However, due to data challenges, it was not possible to analysis spending at decentralized levels. Therefore, RGoZ is advised to create classifications for local government health budgets. Improving the reporting and monitoring tools for decentralized level spending would help in understanding resource gaps and addressing wastage.

7. FINANCING THE HEALTH SECTOR

The health system in Zanzibar is financed by multiple sources including the RGoZ budget, national and private health insurance systems, DPs, the private sector and individuals.

The overall trend in public financing of the health sector indicates declining reliance on grant financing. In FY 2019/20 development partners contributed less than one fifth of the health budget, as key donors such as Global Fund and DANIDA reduced their contributions within a nominally growing health budget. Government contributions through domestic resource mobilization have increased from 66.4 to 81.7 per cent of the health budget between FY 2017/18 and FY 2019/20. Analysis suggests the declines in loan commitments from the Arab Bank of Economic Development in Africa (BADEA) and grant financing are the key causes of the decline in the budget for health. Whilst reducing reliance on foreign aid is a more sustainable path for managing government budgets, such a development means that government must provide its own resources to match shortfalls and cuts in grant financing, as otherwise the share of health in the total budget will continue to decline.

Figure 9: Sources of finance for MoH between FY 2017/18 and FY 2019/20 (%)



Source: UNICEF calculations based on data from the Ministry of Finance, approved budget (various years)

Out of Pocket (OoP) spending on health care contributes to a large proportion total health care spending. The 2017/18 National Health Accounts indicate that the Out of Pocket (OoP) expenditure of over 18 per cent, which according to the World Bank is substantially over the threshold of 10 per cent indicating a substantial risk that households are impoverished for health reasons. The Household Budget Survey 2014/15 also indicates that of the costs incurred by respondents at health facilities, 61.6 per cent was for medicines and 31 per cent for diagnostic tests. The ring-fencing of essential medicine funds is intended to address this high rate of out of pocket expenditure and to reduce the need for it, as is the ongoing development and costing of the essential health care package.

The accessibility of essential health services for vulnerable groups and people in hard-to-reach areas is a real challenge. Therefore, it is very important to increase public funding and enhance the sustainability of funding for the health sector in order to ensure that essential services are accessible to vulnerable groups.

As mentioned earlier, the COVID-19 pandemic has put a huge amount of pressure on the government budget, and domestic resources cannot cover all funding needs. The government should also discuss with donors the reprioritization of existing funds and the mobilization of additional grants to support the Covid-19 response plan.

Table 2: Financing agents and financing sources for FY 2017/18

Tanzanian shilling (TZS), Million	Government	Corporations	Households	NPISH	Rest of the world	Total	%
Ministry of Health	37,759.3					37,759.3	36.4
Other ministries and public units (belonging to central government)	10,072.5					10,072.5	9.7
Insurance corporations	1,649.5	682.8	151.5			2,483.8	2.4
Health management and provider corporations	7.8	105.4				113.2	0.1
Corporations (Other than providers of health services)	23.0	196.4				219.4	0.2
Non-profit institutions serving households (NPISH)				1,146.8	32,552.2	33,699.0	32.5
Households			19,442.4			19,442.4	18.7
TOTAL	49,512.0	984.6	19,593.9	1,146.8	32,552.2	103,789.5	
Share (%)	47.7	0.9	18.9	1.1	31.4		

Source: NHA 2017/2018

TAKEAWAYS

- The shift to greater reliance on domestic resources for the health budget is applauded. Whilst reducing reliance on foreign aid is a more sustainable path for managing government budgets, taking such a direction means that the government must provide its own resources to match shortfalls and cuts in grant financing, as otherwise the share of the health sector in the total budget will continue to decline.
- Zanzibar households contribute over 18 per cent of health financing through out of pocket payments. The ringfencing of essential medicine funds is intended to address the high rate of such expenditure, and to reduce the need for it, as is the ongoing development and costing of the essential health care package.