



REPRODUCTIVE HEALTH FINANCING FOR UGANDA

Commitment to Action

Brief

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Photo credit: Julio González

To ensure that increased budget commitments for reproductive health (RH) commodities in Uganda are sustainable and that funds are disbursed and fully expended, parliamentarians can play an important role in (1) providing oversight to ensure that current allocations for financial year (FY) 2013/14 amounting to UGX 8 billion on Vote 116 are maintained, (2) ensuring that allocated funds from the World Bank RH Systems Strengthening Project amounting to US\$3.6 million are released and spent in FY2013/14, and (3) tracking allocations to ensure the 100 percent expenditure of funds.

Background

Since 1999, the Government of Uganda (GOU) has instituted several national plans and hosted a number of meetings and an international conference all aimed towards improving reproductive health within the country. Recent developments suggest a more favourable family planning (FP) environment.

These include substantial increases in the national budget for contraceptives beginning in FY2010/11, provisions allowing nongovernmental service providers to purchase contraceptive supplies from the National Medical Stores (NMS), and a change in guidelines to enable community health workers to provide injectable contraceptives. In addition, the Demographic and Health Survey shows an increase in the contraceptive prevalence rate of modern methods from 17.9 percent in 2005 to 30 percent in 2010.

At the 2012 London Family Planning Summit, President Museveni committed to an increase in the budget for family planning from domestic sources from US\$3.3 million to US\$5 million over the next five years and the mobilisation of an additional US\$5 million from development partners. He also reinforced his government's plan to strengthen the NMS as well as improve the distribution of commodities to the public and private health delivery units.

Achievements Realised— Increased Funding Commitments

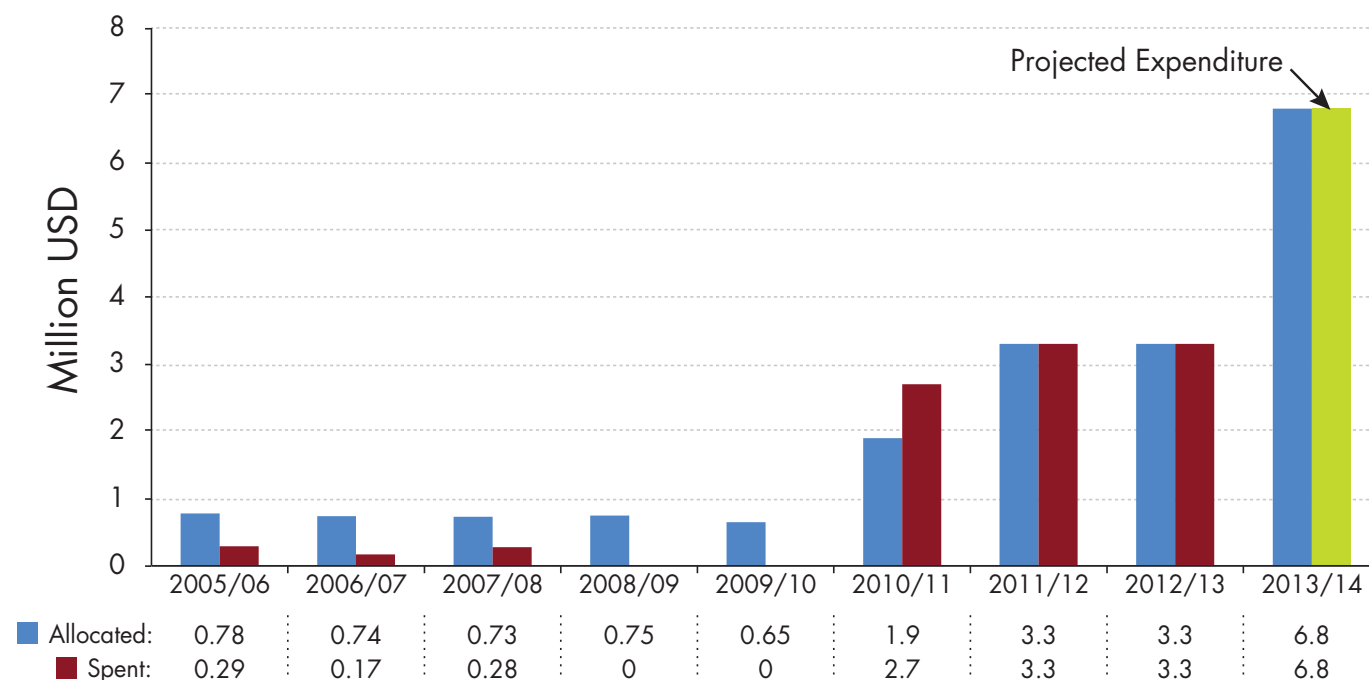
The GOU has increased its expenditure on procurement of contraceptives and selected RH supplies more than five-fold—from approximately UGX 1.4 Billion in FY 2009/10 to UGX 7.5 Billion in FY2012/13, as shown in Figure 1 below. This is a great milestone for the Uganda family planning programme; however, it is important to ensure that the funds allocated are fully spent.

In FY2005/06, the GOU allocated US\$0.78 million towards procurement of FP/RH supplies and of this only 37 percent was spent (Figure 1) (FY2005/06 Budget Framework Paper). The trend continued with decreased allocations amounting to US\$0.74 million in FY2006/07 and actual expenditure declining to 23 percent. This situation deteriorated in FY2008/09 and 2009/10, when there was no allocation of FP/RH supplies from GOU funds.

Further analysis of allocations and expenditures, and discussions with NMS and Ministry of Health officials, revealed a backlog of funds that had been released to NMS but not utilised because of the long lead time of about 8–12 months for public procurement. This backlog included US\$73,600 that had been committed to NMS in an opened Letter of Credit for FY2008/09 and an additional US\$560,000 for FY2009/10.

Once the backlog of funds was identified, NMS proceeded to execute procurements that were realised in FY2010/11. Partners in Population and Development Africa Regional Office (PPD ARO) and its partners lobbied the Ministry of Finance, Planning and Economic Development (MOFPED) to allocate the backlog of funds for FY2008/09 and 2009/10. When the backlog of funds for these years was added to the FY2010/11 allocations of \$1.9 million, the total funds available became US\$2.7 million. Thanks to the advocacy efforts, these funds were spent on the procurement of FP/RH supplies (FY2010/11 NMS Vote 116 Allocations).

Figure 1. Government of Uganda Funding for FP/RH Commodities: Allocation versus Expenditure, 2005/06–2013/14 (US\$ millions)



In addition to elimination of the NMS funding backlog, the GOU hence became a leading funder of FP/RH commodities in FY2010/11, following the U.S. Agency for International Development (USAID) and the United Nations Population Fund (UNFPA). The GOU has increased its contribution to the country's total provision of contraceptives from less than 5 percent in FY2009/10 to 36 percent in FY2010/2011. This represents an historical shift in the financing of RH supplies in Uganda.

Increased commitment at the political level was epitomised at the London Summit when the President of Uganda committed the government to allocating US\$5 million annually over the next five years, commencing in FY2013/2014. This major shift in paradigm on GOU policy has been significantly influenced by parliamentarians, development partners, civil society, and other partners advocating at high levels in government and providing technical assistance to track the funding and ensure allocations are spent as planned.

In FY2012/13, the government allocated UGX 8 billion for the procurement of contraceptives and selected reproductive health supplies. Tracking of releases from MOFPED is ongoing to ensure that all funds are released and expended by NMS. In the current draft budget framework paper for the health sector for FY 2013/14, the government has allocated UGX 8 billion for the procurement of contraceptives and selected RH supplies on Vote 116, and the World Bank RH Systems Strengthening Project has allocated an additional US\$3.6 million. The total estimated amount allocated is US\$6.6 million. This is a reflection of the impact of the President of Uganda's pledge at the London Summit. However, Figure 1 indicates that funds for FY2013/14 have been allocated but not yet released/spent— hence the need to keep track.

Creation of Vote 116

The MOFPED also agreed to transfer FP funds directly from the MOFPED account to NMS through the creation of Vote 116 in FY2009/2010 as well as by implementing a clear mechanism for nongovernmental organisations (NGOs) to access contraceptives free of charge from NMS. The creation of Vote 116 enabled NMS to reduce the lead time for processing and accessing funds and to enter into long-term framework contracts with suppliers. In addition, Vote 116 ensured that funds are released at the beginning of the fiscal year from MOFPED directly to the NMS, enabling NMS to procure in bulk. This contributed to the achievement of 100 percent expenditure on the procurement of contraceptives and other RH supplies in FY2011/12 and FY2012/13.

Way Forward and Policy Asks

To guarantee that (1) the gains achieved in the last three years are sustainable, (2) the funds allocated for FY2013/14 are actively tracked and expended, and (3) the London Summit pledge is fully realised and sustained over the coming years, parliamentarians should

- Provide oversight to ensure that current allocations for FY 2013/14 amounting to UGX 8 billion on Vote 116 are maintained.
- Ensure that allocated funds from the World Bank RH Systems Strengthening Project amounting to \$3.6 million are released and spent in FY 2013/14.
- Continually track allocations to ensure the 100 percent expenditure of funds.

Resources

Ministry of Finance, Planning and Economic Development/National Medical Stores. (Various). Vote 116, releases 2011–2013.

Ministry of Health. (2005). National Family Planning Advocacy Strategy 2005–2010.

Ministry of Health. (2011). Annual Health Sector Performance Report FY2010/11

Ministry of Health. (2011). Reproductive Health Supply Plan FY2011/12.

Ministry of Health. (2012). Ministerial Policy Statement FY2012/13.

National Medical Stores. (2013). Procurement Updates FY2010/11, FY2012/13.

National Medical Stores. (2012). Contraceptive Quantification Report FY2011/12.

Partners in Population and Development Africa Regional Office (PPD ARO). (2012). Contraceptive Finance Tracking Report FY2011/12.

Uganda Bureau of Statistics and ICF International Inc. (2012). Uganda Demographic and Health Survey 2011.

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