

## Terms of Reference

### Working group on sustainability, transition from aid, and health system strengthening

#### Background

While all low- and middle-income countries face a number of critical pressures on their health systems, there are some issues that are particularly salient for countries that are currently or will soon be “transitioning” to much lower levels of external financial support, and that require targeted consideration. While effective responses to transition must be specifically adapted to each country’s context, a common guiding principle is to maintain or even increase effective coverage for priority health services, including those currently supported with external funds. This does not mean simply channelling government revenues to pay for a previously donor-funded program. Rather, transition provides an opportunity for countries to assess how governance, financing and service delivery are configured to ensure the sustainability of effective coverage for priority interventions. Hence, health system strengthening (HSS) is at the core of the response to transition if progress towards UHC is to be sustained. By placing the focus in this way, it ensures that donors and policymakers alike are working together towards sustainable solutions to problems presented by transition. It also emphasizes the importance of sustainability in the transition process, which should also extend to those countries that are not imminently facing declines in donor assistance.

Beyond the implications of diminishing aid, the transition context is complex, as health systems must cope with technological advances, aging populations, increased costs, complex pluralistic health service delivery with a growing private health sector, rising population expectations for better quality health services, as well as a voice in decision-making, are among the many factors putting pressure on health systems. Non-communicable diseases often account for the largest part of the disease burden in these countries, while at the same time an unfinished agenda for communicable diseases remains. As everywhere, HSS interventions should be tailored to country context and country-specific needs should guide investments and reforms in HSS to support and sustain progress towards UHC. In addition, actions are likely needed beyond the health sector, engaging a diverse range of stakeholders to address health determinants. And motivating political support for change will include a critical place for citizen voice in health, with the need to put in place effective participation mechanisms for patients and communities.

Domestic resources often account for the large majority of health sector resources, but allocation of these resources often suffers from (or contributes to) inefficiencies and inequities. Good governance and strengthened capacity of institutions to support more efficient use of resources to sustain effective coverage of priority interventions are at the core of the agenda.

In such contexts, it is increasingly recognized that some forms of aid may simply displace domestic effort for things that countries should be capable of funding from domestic resources, such as procurement of medicines and paying staff salaries. Therefore, what aid supports and how the funds are channelled needs to be re-considered in light of both what governments find more difficult to support in the short run (e.g. institutional development, capacity building, citizens’ engagement

platforms), as well as potentially distortionary incentive effects on domestic health spending, including but not limited to the design of conditionalities and co-financing requirements.

Work in this area is considered high priority for the new IHP for UHC 2030 partnership and a TWG is being set up with the below objective.

### Objective

To explore roles, responsibilities and opportunities for collaboration among DPs, expert networks and countries to enhance efforts to sustain increased effective coverage of priority interventions with financial protection, in countries transitioning from aid.

### Scope of work

- **Build consensus around core issues and objectives in response to the transition from aid**, exploring revenue and health system efficiency considerations, as well as approaches to strengthening accountability for results.
- **Develop guidance and principles for good practise** pertaining to countries transitioning from ODA support, with regard to financial, programmatic and capacity issues, including but not limited to e.g. how to develop country-specific transition plans to balance the transition schedules of multiple funding partners.
- **Explore the types of reforms and investments needed to support an effective transition process**, particularly in relation to building strong and unified underlying support systems, such as for procurement, supply chain, information, as well as capacity for evidence informed priority setting processes.
- **Define an annual work plan** for the group, outlining key outputs and products and help convene parties to review progress.

### Outputs – *provisional suggestions for the consideration of the technical working group*

- **An annual work plan** for the group, building on existing, ongoing and identified new work with key outputs and products.
- **Concept paper on sustainability and transition**, framing the core objectives and unit of analysis for policy.
- **Concept paper** focusing on health financing issues in health systems in transition.
- **Concept paper** bringing together experiences from countries in strengthening institutions for evidence informed policy including modes to support this , lessons learnt and recommendations
- **Case studies** developed on different models for technical assistance to strengthen institutions capacity for stronger evidence informed policy making towards UHC.
- **Guidance note and tools** on principles of good engagement for DP approaches to countries transitioning from ODA
- **Identification of pilot countries** for coordinated action on support to transition countries.

### Members

The group will be open to those countries, DPs and organizations interested to participate – and contribute to the collaborative agenda. Subgroups on taking forward different work streams should be considered.

**Potential membership:**

- UHC hosting organizations:
  - WB
  - WHO
- Countries: TBC: Senegal, Kenya, South Africa, Ghana, Moldova, Vietnam
- DPs: EC, Germany, USAID, Australia, DFID, Japan, others
- Health policy and System Research Alliance
- BMGF
- PEPFAR
- Gavi
- The Global Fund
- Civil society
- John Hopkins
- R4D
- Centre for Global Development

**Working Group modalities of work**

Chairing by DP(s) and a country; supported by UHC2030 Core Team.

- Face to face meetings
- Audio video conference
- Commissioning of literature review and case studies.