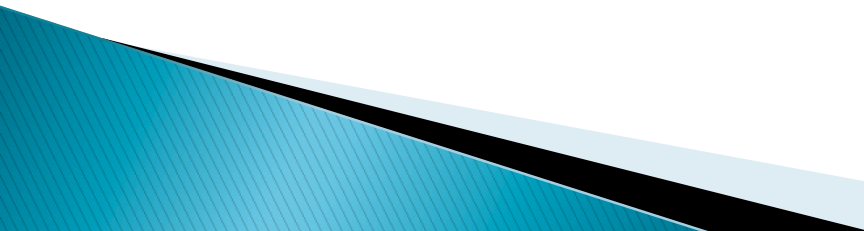




Cambodia's Sustainability Approach

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Content:

- ▶ Cambodia's Health spending
 - ▶ Domestic resources ensuring sustainability of external financing
 - ▶ Building institutional capacity – technical and managerial
 - ▶ Challenges
 - ▶ TWG could support countries
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Health Spending in Cambodia

GDP per capita (USD): 1,568

THE % of GDP: 6.3%

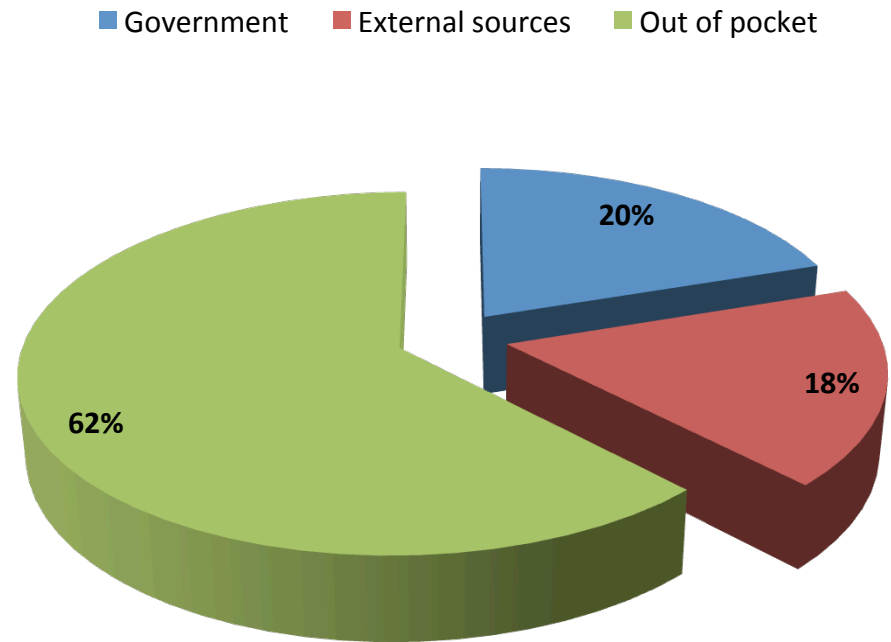
THE per capita (USD) : 69

GGHE % of GGE: 6.1%

Total health expenditure:

> 1 billion USD

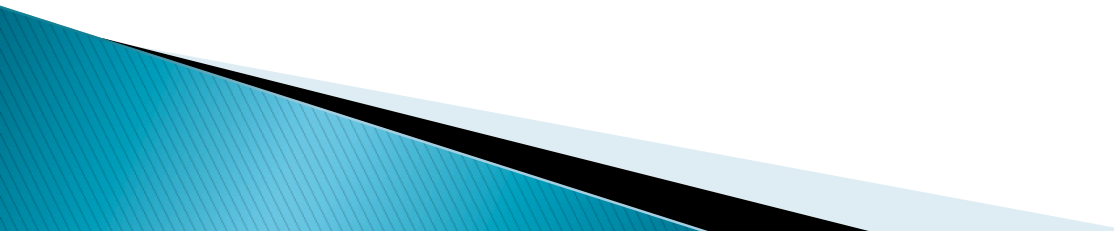
**Health Expenditures (by source)
2014, in % of total**



Government Spending on Health

- ▶ Domestic financing is increasing from 212M (1.4% of GDP) in 2013 to US \$486M (2% of GDP) in 2018.

Donor funding for Health

- ▶ Since 2014, donor financing accounts for 20% of total health spending, this spending decreased from US\$241M in 2014 to 170M in 2016.
 - ▶ Around 70% of disease programs are financed by external sources (2014)
 - ▶ More than 20 Donors and 100 NGOs in health sector
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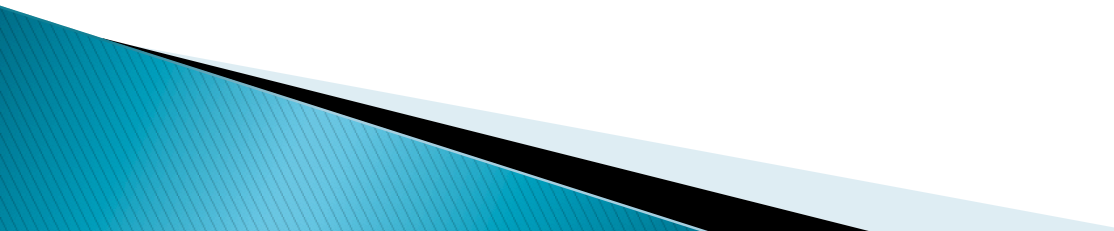
Domestic resources ensuring sustainability of external financing

- ▶ Prioritizing health – RGC increasing domestic financing for health
 - Strong government leadership and commitment to toward for UHC (SSPF)
 - Strong PFM reforms and robust economic growth, Cambodia is able to increase its financing for health
 - Growing contribution to expand coverage to informal workers, Health Equity Funds, service delivery grants among others.
 - HEF been expending coverage from ~3M in 2017 to 7.6M in 2018 (including civil sevant, Informal Sector Workers).

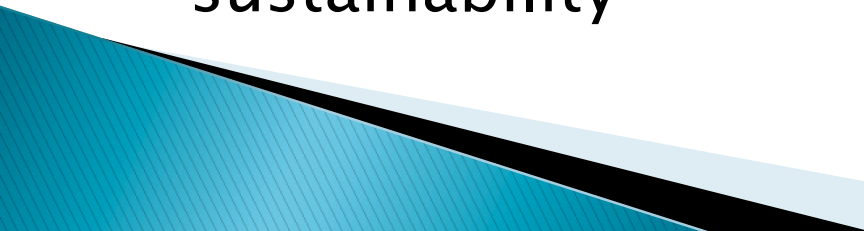
Domestic resources ensuring sustainability of external financing (2/2)

- ▶ Strong planning and coordination of government and donors with clear exit strategy
 - Sector Wide Integrated Management (SWIM) in the health sector – phasing approach increasing domestic financing, coping decreasing partner funds (eg. HEFs).
 - Screening of external funds to ensure plan for sustainability after project end and financing is included in government budget
 - Mainstreaming donor finance to use PFM system for visibility, efficiency and sustainability (eg H-EQIP and GFATM)
 - The joint annual budget process reviews domestic and external sources together.

Building institutional capacity – technical and managerial

- ▶ Institutional sustainability is a challenge – building-up local capacity (eg. PCA)
 - ▶ Stewardship and programmatic expertise should be retained as part of the transition
 - ▶ Non-government health institutions being supported by government to mitigate impact of reducing external funds (eg. Kantha Bopha chain of hospitals)
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Challenges

- ▶ Unpredictability of donor transition
 - ▶ Lack of information from donors not using government systems– affects accountability and efficiency of funds available for the country
 - Pooled fund (H-EQIP) is a good practice example from Cambodia
 - Government created SOP system for PFM which has been accepted by most donors
 - ▶ Issues in coordination across programs that are vertically funded and managed with mainstream government systems
 - PR transition to MEF is a good practice from Cambodia
 - ▶ Strengthen financial planning, transition of technical skills, institutional capacity to maintain sustainability
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TWG could support countries on

- ▶ *Transition and exit strategy should be well planned, allowing time for financial and institutional sustainability of investments made*