

SECOND PROGRESS REPORT OF THE IHP+ FINANCIAL MANAGEMENT TECHNICAL WORKING GROUP (MAY 2016)

Introduction and Background

This note provides progress update on the work of the IHP+ Financial Management Technical Working Group (FMTWG) for the period December 2015 to May 2016.

Financial management (FM) harmonization and alignment is one of the “seven behaviors” identified for IHP+ “Intensified Action” during the Nairobi country health teams meeting in 2012. However, despite the recognition, limited progress had been made on this agenda. The IHP+ Financial Management Technical Working Group (FMTWG) was formed in June 2014 to accelerate progress by facilitating or promoting the following: (i) development partners’ (DPs) use of harmonized FM arrangements for donor-financed support; (ii) alignment of FM implementation arrangements of donor-financed projects with country systems, where such systems are assessed as adequate; and (iii) joint support for FM capacity building of country systems where such systems are deemed to be weak. The terms of reference of the group is attached in the Annex 2 of this report.

Chaired by the World Bank, the FMTWG consists of Financial Management managers from interested IHP+ development and country partners (Annex 1). It holds meetings every two months to discuss how participating partners can collaborate on financial management issues in the countries they support. The group also identifies and resolves impediments to harmonization and alignment in the countries they provide support in the health sector.

Update on activities during reporting period

In the reporting period, the group’s work focused on the following:

- (i) Facilitating dialogue among DPs and country partners on FM harmonization and alignment bottlenecks;
- (ii) Providing a platform for sharing of experiences on health sector fiduciary issues in specific countries; and
- (iii) Promoting collaboration and joint approaches to tackling health sector FM issues in countries of interest to participating DPs. Such approaches have included conducting joint financial management (JFMA) assessments to identify issues and priorities for joint capacity strengthening, as well as designing common FM implementation

arrangements through joint fiduciary arrangements (JFAs), where conditions are suitable.

The specific activities undertaken (or in progress) are summarized below.

1. Facilitation of FM harmonization and alignment initiatives by country

Through several, mostly audio meetings¹ the group identified several countries for new collaboration and discussed bottlenecks to on-going harmonization initiatives in countries previously identified. Below is a summary of key FM harmonization and alignment initiatives by country².

¹ The group once every two months approximately. The last meeting was held in February 2016.

² See Annex 1 for FMTWG members