Cambodia’s Sustainability Approach

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UHC 2030: TWG Sustainability, transition from external financing and health system strengthening
Cambodia’s Health spending
Domestic resources ensuring sustainability of external financing
Building institutional capacity – technical and managerial
Challenges
TWG could support countries
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
- External sources
- Out of pocket

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
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 servant, Informal Sector Workers).
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 (e.g. 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 (e.g. H-EQIP and GFATM).
- The joint annual budget process reviews domestic and external sources together.
Institutional sustainability is a challenge – building-up local capacity (e.g. 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 (e.g. Kantha Bopha chain of hospitals)
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
TWG could support countries on

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