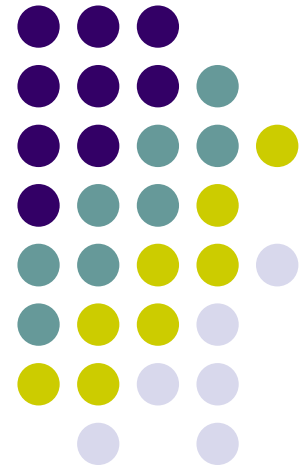


Sector Strategies

Health and Education

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Presentation outline

- defining the health/education sector
- preparation of a sector strategy for health and education
- main program areas in health and education
- key questions
- efficiency of public expenditure
- specific issues relating to health and education in the Maldives
- performance indicators
- example of a sector strategy

Defining the Health and Education Sector



The analysis should be sector wide, not ministry specific.

- this may involve agencies other than the Ministry of Education i.e. NGOs, private sector organisations, agencies involved in tertiary and higher education.
- in the health sector include all institutions that are involved in health care delivery

The resource envelope should be comprehensive:

- include all sources of health and education sector funding i.e. public resources, private household expenditure, donor contributions, insurance contributions etc

Identification of the beneficiaries from health and education:

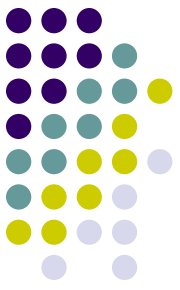
- this is needed to consider related social and equity dimensions

Preparation of a sector strategy



The following steps are needed:

- *Situation analysis*: current education policies and expenditure e.g. assessment of aggregate level expenditure in education, expenditure by programme area and sources of funding
- *Review of sector objectives and policies*: derived from existing policy statements, information and analysis on the sector eg. education plans and policies and national plans and identification of main programmes to achieve sector objectives
- *Definition of sector resource envelop*: to include all sector resources
- *Assessment of cost and expenditure implications of policies*: examine cost of activities/programmes needed to achieve sector objectives and priorities over the medium-term. Consideration of priorities within the constraints of the education resource envelope



Main program areas: health

It is important to define the key programme areas to be considered in a sector. The main policy areas in health are likely to be:

- *Primary health care*: covering initial, non-referral care at health posts, health centres and at outpatient centres. Also covers some disease prevention services, such as vaccinations.
- *Secondary health care*: covering basic referral services at inpatient hospital facilities.
- *Tertiary health care*: covering specialised referral services in specialised hospital and research institutes.
- *Public health*: covering environmental health services, health promotion campaigns and epidemiological services.
- *Planning, management and finance*: covering policy and strategy formulation and licensing, regulation and standard setting.

Main program areas: education



The main policy areas in education are likely to be:

- *Planning, management and administration*: policy and strategy formulation for all education service; school accreditation, teaching and learning standard setting.
- *Basic education*: primary and lower secondary schools, pre-primary education can be included in this programme.
- *Secondary education*: upper secondary schools
- *Secondary education (vocational)*: vocational schools
- *Tertiary education*: graduate studies and the doctorate level
- *Education curricula and teachers' training*: design, development and implementation of education curricula

Key Questions



Should public funding be used?

- consider market failures, equity, social cohesion

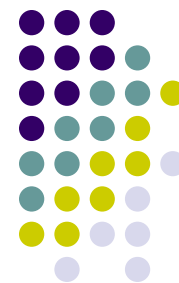
How can public money be best put to use?

- what should the government finance? Distributional impact of public spending on health/education? Can the system be improved in order to maximise the impact of public spending ?

Spending on what?

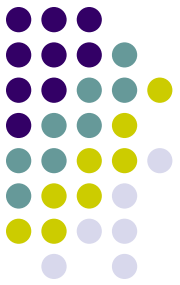
- type of spending (capital or recurrent), functional allocations (budget shares by level of health/education), economic allocations (inputs i.e. teachers/doctors, textbooks)

Efficiency of public expenditure



- *Allocative efficiency*: Is money being spent on the right things?
e.g. should spending be reallocated among levels of health care / education? What are the returns to different levels of health/ education?
- *Technical efficiency*: Is money being spent efficiently on the right things?
e.g. are there variations in unit costs between sub-national unit or schools? Staff costs, qualifications, hours or work? How efficiently is capital/infrastructure used?
- *Internal efficiency*: Are repetition and drop outs rates low?
e.g. how much can be saved by reducing drop out rates
- *External efficiency*: Do schools focus on the skills and knowledge needed by employers?

Specific issues relating to health expenditure in the Maldives



The Maldives has made impressive achievements in health outcomes. However in considering future health strategy the following needs to be considered:

- role of private sector and NGOs
- scope for cost-recovery
- consideration of recurrent cost implications of capital investments
- equity implications of expenditure (improved regional equity and targeting of the poor)

Specific issues relating to education expenditure in the Maldives



Education is a high priority sector in the Maldives with both households and government emphasising it's importance. However in considering future education strategy the following needs to be considered:

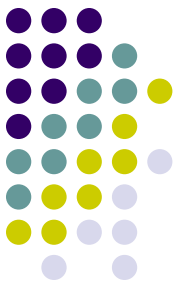
- efficiency and equity of expenditure
- differences between access to educational facilities
- differences in the quality of education

Performance indicators: education



Purpose: To measure the level of attainment of an activity or policy

- *Input indicators*: measure the resources allocated to undertake an activity without regard to the level of achievement
- *Output/Intermediate Indicators*: measure the level of activity undertaken with budgetary resources - numbers of new schools built, numbers/proportion of teachers trained, pupil:teacher ratios, pupil:book ratios
- *Outcome indicators*: measure the degree of achievement of objectives - enrolment, completion, dropout, exam, teacher absenteeism rates



Performance indicators: health

Purpose: To measure the level of attainment of an activity or policy

- Input indicators: measure the resources allocated to undertake an activity without regard to the level of achievement
 - government expenditure on health per capita
 - density of health workforce per capita
- Output/Intermediate Indicators: measure the level of activity undertaken with budgetary resources
 - measles vaccination coverage
 - proportion of children sleeping under insecticide treated bed nets
- Outcome indicators: measure the degree of achievement of objectives
 - maternal mortality
 - TB incidence



Example of sector strategy matrix

Box 1: Format 4 for the Summary Sector Strategy Matrix			
Sector Title: <<Name of Sector/Ministry>>			
Key Issues/Policy Agenda	Priority Actions for 2004-10	Funding and Resource Use Implications	Monitorable Indicators
Programme A: Planning, Management and Finance			
	This programme corresponds to the responsibilities of the Ministry and of specialist institutes involved in sector policy planning and management. Use this programme to identify policy actions that are common to the sector as a whole.		
Programme B:			
<p><i>The aim of this section is to summarise briefly the key issues affecting programme performance and the policy agenda necessary to address these issues. The analysis can be divided between:</i></p> <p><i><u>The main challenges facing the programme</u> covering:</i></p> <p><i>(i) unsatisfactory aspects of the existing situation – e.g. unequal access to and poor quality services, unmotivated staff, inadequate operations and maintenance funding, weak management; (ii) likely trends and pressures – e.g. increasing demands from the public, deteriorating infrastructure, loss of critical staff; and (iii) opportunities and challenges e.g. for greater cost recovery, for privatisation of services, for increased stakeholder involvement.</i></p> <p><i><u>Policies.</u> The main policies through which these challenges will be addressed. Note that policies include both actions of government and of other stakeholders in the sector.</i></p>	<p><i>List the priority policy, regulatory and institutional reforms necessary to ensure more effective use of resources in the sector. The aim is not to provide a full list of actions to be taken, but to highlight the most important. Wherever possible a target date for accomplishment should be given with special emphasis on activities for 2004/5. In considering the actions to be taken, it is useful to distinguish between:</i></p> <p><i>legislative and regulatory actions; other policy actions, particularly relating to commercialisation and privatisation, that do not involve public expenditure;</i></p> <p><i>institutional reform actions that allow for the more efficient utilisation of resources; and</i></p> <p><i>actions involving the modernisation and development of public infrastructure and services.</i></p>	<p><i>This column should show the broad implications of the actions listed in the previous column in terms of the total level of financial resources required and the way in which these resources are used. Note that resources include domestic funds, donor financing, technical assistance and community contributions etc.</i></p> <p><i>The presentation should be descriptive. It should focus on:</i></p> <p><i>providing a justification for changes in the overall level of programme funding (these will be shown in the attached indicative programme resource allocations for 2004-08;</i></p> <p><i>the distribution of resources between the major economic categories of expenditure.</i></p>	<p><i>This column should identify the indicators to be used for monitoring programme implementation and performance. In selecting indicators, ministries should also identify the means by which they will be verified (e.g. statistical reports, programme reviews etc.).</i></p> <p><i>Three levels of indicators should be identified:</i></p> <ul style="list-style-type: none"> ▪ <i><u>Input Indicators:</u> indicators that relate to expenditures and staffing</i> ▪ <i><u>Output Indicators:</u> indicators that relate to the specific actions, measures, products and services to be achieved under the sector expenditure strategy</i> ▪ <i><u>Outcome indicators of programme performance:</u> which reflect progress towards the achievement of the objectives of the programme. These should be drawn from the indicators to be used for monitoring the overall implementation of sector policies and strategies under the PRSP.</i>

Example: Albania Health



Steps in the development of the health sector strategy

- change in budget classification to a programme approach
- consideration of current and recurrent budgets together
- strengthened institutional procedures and mechanisms for dialogue – health sector technical working group formed
- analysis of key health sector expenditure issues
- development of objectives and prioritisation of activities
- costing of programmes
- expenditure strategy developed based on programmes, prioritisation, means of achievement. Within the resource ceiling allocated. Linked to key monitorable performance indicators

Example: Georgia Education



Steps in the development of the education sector strategy:

- definition of programmes and classification of activities/projects under programmes
- review and summary of sector objectives
- discussion of measures /actions to meet objectives through broad consultation
- costing of on-going and new initiatives
- prioritisation of activities and discussion of expenditure to be funded within the resource envelop allocated
- development of performance indicators