



2023

AUDA-NEPAD ALM Progress Report



Introduction

The ALM is a comprehensive initiative that aims to put in place the political and technical mechanisms that will assist and enable countries to steadily increase domestic investment in health year after year, as well as hold countries accountable in their collective commitment to do so.

Africa has set highly ambitious aspirations in strengthening its health architecture, these include eradicating AIDS, TB, Malaria, achieving Universal Health Coverage(UHC) for its citizens, and other SDG-related health targets. However, underinvestment in health across most countries on the Continent persists despite high-level political commitments demonstrated by calls to action such as the Abuja Declaration. These limited investments in health present a fundamental constraint on Africa's ability to develop the human capital required to drive economic growth.

The African Union Development Agency-NEPAD (AUDA-NEPAD) has been actively involved in the implementation of the African Leadership Meeting (ALM) agenda, with a particular focus on Investing in Health. Since 2021, AUDA-NEPAD has made significant progress in achieving its objectives, with a primary emphasis on the establishment and operationalisation of Regional Health Financing Hubs (RHFH) and coordinating the development and operationalisation of private sector engagement framework in health financing. This report outlines the accomplishments, key lessons and future commitments of AUDA-NEPAD in advancing the ALM agenda.

Operationalization of Regional Health Financing Hubs

Guided by the 34th AU Assembly of Heads of State and Government decision of February 2021(Decision Assembly/AU/Dec.810(XXXIV) - AUDA-NEPAD was tasked with coordinating the design, establishment and operationalisation of the Regional Health Financing Hubs in order to speed up implementation of the February 2019 ALM-Investing in Health Declaration.

ALM Progress Overview

As the cornerstone of the ALM's Declaration, the Regional Health Financing Hubs (RHFH) aim to support Member States to:

1. Increase domestic health resource mobilization and pooling;
2. Improve national health financing system to reduce and ultimately eliminate catastrophic health spending;
3. Enhance efficiency, equity and effectiveness of budget allocation and spending; and
4. Strengthen cross-sectoral collaboration, harmonization and alignment of development partners and private sector investment to continental, regional and country health priorities.

Achievements in this endeavour include:

Development of the Regional Health Financing Hub (RHFH) Design and Operationalization Document: AUDA-NEPAD in close collaboration with Member States, Regional Economic Communities (RECs) in SADC and EAC, the African Union Commission (AUC), the Champion's Office and Development Partners through a consultative process, successfully developed a RHFH Design and Operational Manual- which provides guidance in the establishment of the RHFH-contains vision, mission, values, functions and expertise required at the hub

Establishment of RHFH in SADC and EAC Regions: AUDA-NEPAD, in close collaboration with Member States, Regional Economic Communities (RECs), the African Union Commission (AUC), the Champion's Office, the Global Fund, and other stakeholders, using the developed RHFH Design and Operationalization Document, successfully established and operationalized Regional Health Financing Hubs in the Southern African Development Community (SADC) and East African Community (EAC) regions. This achievement marks a crucial step towards strengthening health financing mechanisms in these regions.

“Notable increase in high-level political advocacy within countries in the pilot regions has led to the Domestic Health Financing Agenda being elevated as a national priority.”

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Expanded Engagement with Other RECs: AUDA-NEPAD expanded its engagement beyond the pilot RECs by collaborating with the Economic Community of West African States (ECOWAS) through the West African Health Organization (WAHO) and the Intergovernmental Authority on Development (IGAD). This broadened reach demonstrates the commitment to addressing health financing challenges on a continental scale.

Monitoring and Evaluation Framework: AUDA-NEPAD has developed a comprehensive Monitoring and Evaluation (M&E) framework for RHFH operationalisation. This framework will ensure effective progress tracking of the implementation of activities planned by RHFHs and continuous improvement in RHFH interventions and health financing efforts.

Coordination of Private Sector Engagement in Health Financing

One of the ALM's key commitments is enhanced engagement with the Private Sector. To this end, the organisation has made significant strides in this area, including:

Development of Private Sector Engagement Framework: AUDA-NEPAD in collaboration with Member States, RECs, AUC, Development Partners and Key stakeholders especially in the private sector has drafted a private sector engagement framework, providing a structured approach for involving the private sector in health financing initiatives. This framework will serve as a valuable resource for fostering partnerships and mobilising private sector resources, and its use at the country level has already commenced, with Malawi having domesticated it.

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National Health Financing Dialogues serve as platforms for multi-stakeholder discussions, paving the way for identifying solutions to health financing challenges

National Health Financing Dialogues

A key activity that is currently underway in the initial phase of understanding the national financing landscape in the country health financing landscape, AUDA-NEPAD's efforts have contributed to the successful implementation of national health financing dialogues in Malawi, Zambia, Mozambique, Kenya and Mauritius. These dialogues serve as platforms for multi-stakeholder discussions, paving the way for identifying solutions to health financing challenges. The technical assistance plans developed during these dialogues aim to chart a strategic path towards the gradual implementation of national health financing reforms that will play a pivotal role in strengthening domestic investments in health across the African continent and improving allocative efficiencies and equity.

To date, five National Health Financing Dialogues have been held with three dialogues planned for the remainder of the year. These dialogues have brought together the Ministries of Health and Ministries of Finance, the private sector, and civil society to explore interventions under the four pillars of the ALM: More Money for Health, More Health for Money, Equity/Improved Financial Protection in Health Country Leadership and Governance.

Country summaries of the National Dialogue outcomes that will guide the follow-up action of the government are detailed below:

“5 National Health Financing Dialogues have been held under the ALM flagship”

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Malawi, October 2022

STAKEHOLDERS

Government, Parliament, Private Sector, Academia, Research Institutions, Media, Development Partners, CSOs, AU AUDA-NEPAD, SADC, UN representatives

KEY DIALOGUE OUTCOMES AND COMMITMENTS

- Government to increase domestic allocations to health, efficiency, equity and inclusive governance.
- Parliament to legislate on prepayment mechanisms, health insurance and social contracting to improve equity; review of the PFM Act to improve efficiency.
- Civil society to support social contracting in health and increase health financing.
- Development partners to strengthen decentralized financing
- Prioritization of a comprehensive health financing strategy.
- Integration of the AU scorecard, ALM tracker, HFPM indicators into the operational plan's M&E framework
- Government and development partners to support accelerated implementation of PFM, Human Resources for Health, Civil Society Advocacy and addressing barriers to local manufacturing and pooled procurement, among others.
- Strengthening of performance-based financing system, decentralized financing
- Development of a Operational & Technical Assistance Plan

ACHIEVEMENTS TO DATE/ NEXT STEPS

- AU Private Sector engagement framework adapted for Malawi
- Development partners met and committed to collaborate and support some activities, while others are reviewing remaining actions
- Finalize fundraising for Technical Assistance Plan and support implementation of reforms and link partners to various technical working groups
- Support ongoing resource mobilization efforts to fully implement operational plan and M&E plan.
- Finalize the Health Financing M&E and Reporting Framework with outcome and input indicators from the AU Scorecard, ALM tracker and HFPM.
- Support the expanded Technical Working Group on Health Financing
- Preparations for finance and health ministers for SADC council meeting ongoing.
- Prepare Office of the President and AU Champion for reporting at AU Heads of State Summit

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Zambia, May 2023

STAKEHOLDERS

Government, Parliament, SADC, AU, AUDA-NEPAD, UN representatives, Development Partners, CSOs, Private Sector, Academia, Research Institutions, Media, Development Partners, CSOs, AU AUDA-NEPAD, SADC, UN representatives

KEY DIALOGUE OUTCOMES AND COMMITMENTS

- Government committed to raise additional revenue for health; address inefficiencies in procurement and other areas; strengthen health insurance scheme, purchaser accountability; join regional pooled procurement efforts; update resource allocation formulas and strengthen PPPs for increased investment.
 - Private sector committed to support policy and legal reforms while enhancing global standards, in quality, safety, and efficacy; develop strategies to access and relay affordable capital to the sector; and work with legislature and executive on PPP coordination structures and policies.
 - Parliament committed to enact a National Decentralization Act and to legislative reform to increase allocations and remove barriers through review of National Health Insurance management Agency Act, the Public Financial Management Act and Public Procurement Act; development of a pan-African Parliamentary Network on health financing and requested the executive to form an all-inclusive National Health Financing Working Group.
 - Partners committed to improving coordination and complementarity; align to national priorities; help eliminate leakages in the PFM system; increase social protection through supporting the RMNCAH-N Investment Case and support efforts to engage Ministry of Finance and the Ministry of Labor and Social Security to position NHIMA efficiently.
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COUNTRY NEXT STEPS

- Develop a Technical Assistance Plan and support implementation of reforms.
- Develop a prioritized operational plan including where funds would be allocated.
- Nominate Zambia representatives to the technical working group on health financing.
- Finalize the Health Financing M&E and Reporting Framework with outcome and input indicators from the AU Scorecard, ALM tracker and HFPM.
- Develop TORs for an expanded Multisectoral Working Group on Health Financing as requested during the dialogue.
- Continue to support private sector engagement through AUDA-NEPAD mechanisms.
- Prepare finance and health ministers for SADC council meeting.
- Prepare Office of the President for reporting at AU Heads of State Summit

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Kenya, June 2023

STAKEHOLDERS

Government, Parliament, EAC, AU, AUDA-NEPAD, UN representatives, Development Partners, CSOs, Private Sector, Academia, Research Institutions, Media, Development Partners, CSOs, AU AUDA-NEPAD, SADC, UN representatives

KEY DIALOGUE OUTCOMES AND COMMITMENTS

- Increased domestic investments in health through tax revenues, social health insurance revenues, progressively increase the total government expenditure for health
 - Better aligning development partner and private sector efforts to the health priorities of the continent.
 - Enhance national health financing systems.
 - Better engage the private sector to strengthen public health systems and expand access to health services.
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COUNTRY NEXT STEPS

- Post dialogue workshop for Finalization of the Dialogue Report and Development of the Roadmap for implementation
- Finalization of the MOH Annual Work Plan and inclusion of post dialogue Activities
- Integration of the ALM tracker, AU scorecard and WHO Health Financing Progress Matrix into the M&E Framework for reporting on progress made

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Mozambique, July 2023

STAKEHOLDERS

Government, Parliament, Private Sector, Academia, Research Institutions, Media, Development Partners, CSOs, AU AUDA-NEPAD, SADC, UN representatives

KEY DIALOGUE OUTCOMES AND COMMITMENTS

- Stakeholders committed to increase domestic investment in health through levies, social health insurance and private sector investments (progressively towards 15% of budget in the coming years)
 - Align cooperating partner and private sector investments to health to ensure efficiency, coherent governance.
 - Jointly monitor key health financing policies and strategies.
 - Institute the use of the Africa Scorecard on Domestic Health Financing, "ALM Tracker" of domestic health financing to help guide health financing reforms and track progress.
 - Strengthen national health financing and Public Financial Management systems; reinforce pooling of funds through strategic procurement plan, adopt needs-based allocations to address inequities; regularly review essential health package considering equity, disease burden and financial protection.
 - Improve dialogue mechanisms to better engage private sector and civil society to strengthen public health systems and expand access to health services.
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COUNTRY NEXT STEPS

- Implement and monitoring progress of this initiative: develop a post dialogue report, including a workplan with defined deadlines the post-dialogue report will serve as a roadmap for the implementation of key health financing initiatives with immediate, short-, medium- and long-term deliverables. Annually assess the country's performance against the benchmarks set out in the African Scorecard on Domestic Health Financing.
- Prepare Presidency to Report at the AU Summit
- Private sector: Hold dialogue between parliament and private sector to discuss reforms in private sector for health, including fiscal and monetary incentives.
- Integration of the AU scorecard, ALM tracker, HFPM indicators into the financing operational plan's M&E framework
- Leverage synergies between investors in the infrastructure summit and private sector participants in the health financing dialogue to raise capital and enhance incentives towards private sector for health.

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Mauritius, September 2023

STAKEHOLDERS

Government, SADC, AUDA-NEPAD, AUC, UN representatives, Development Partners, CSOs, Private Sector, International Investors and investment agencies, Social National inclusion Fund Academia, Research Institutions, Media

KEY DIALOGUE OUTCOMES AND COMMITMENTS

- Stakeholders committed to the "Free Healthcare for all Policy" and increasing domestic contributions to health. As well as the following:
 - Accelerate the development of the medical hub and medical education; Enhance collaboration between the public and private sectors for technology and care; Develop biotechnology, pharmaceuticals, local manufacturing, and clinical research; and adopting innovative financing models.
 - Improve service delivery efficiency; Enhance primary care through health literacy and Family Doctor Service Scheme; Engage societal participation in health matters; Strengthen disease surveillance; Prepare for health sector responses to climate change effects; Promote research for evidence, efficiency, and quality improvement and the adoption of Pooled Procurement and centralize medical procurement.
 - Pursue digital transformation of the health system and reinforce public-private collaboration in health service delivery.
 - Implement plans to increase healthcare accessibility for vulnerable groups.
 - Strengthen Country leadership through, establish a multisectoral National Health Sector Committee; Develop the second Health Sector Strategic Plan and National Financing Strategy; Strengthen the Health Management Information System and Monitoring, Evaluation, and Reporting framework.
 - Foster good governance, transparency, and accountability in the health sector.
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COUNTRY NEXT STEPS

- Endorsement of commitments in position statement by cabinet, Hold the Economic Development Board investment conference for health.
- Link the Republic of Mauritius focal point to the World Bank/Global Fund project on local manufacturing.
- Develop a detailed work plan on the dialogue by November 2023. Obtain commitments by CPs and international investors to enhance support for private sector financing.
- Implementation of transition plan and transition of civil society GF grants to MOF and NSIF and other sources. Endorsement of measures by private sector service providers, insurers, and corporates to support increased CSR contributions via NSIF and share equipment and rights-protected patient data across platforms.
- Prioritization of a comprehensive health financing strategy, development of operational and Technical Assistance plans; Integration of the AU scorecard, ALM tracker, HFPM indicators into the operational plan's M&E framework; Resource mobilization through the Private Sector.
- Prepare Ministers of Health and Finance to attend the AU meeting to implement health financing reforms and review progress against health financing benchmarks.

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Expanding Regional Health Financing Hubs

AUDA-NEPAD expanded its engagement beyond the pilot RECs by collaborating with the Economic Community of West African States (ECOWAS) through the West African Health Organization (WAHO) and the Intergovernmental Authority on Development (IGAD). Beyond the pilot RECs, Engagements in North and Central Africa are scheduled for the fourth quarter of 2023. Despite the fact that each region and country is distinct, the pilot phase has offered an opportunity to harness broad lessons from the pilot RHFH hubs, which may be leveraged to guide the design and implementation of this mechanism in the remaining RECs

Impact and key lessons learned in the implementation of the ALM Activities

The efforts carried out to date, particularly the conducting of National Health Financing Dialogues, have had a considerable influence at the regional and national levels. Some of the key insight and impact include the following:

- A notable increase in high-level political advocacy within countries in the pilot regions has led to the Domestic Health Financing Agenda being elevated as a national priority. This continues to shift national focus towards sustainable, sufficient, equitable, and efficient investments in health for ensuring the long-term well-being of African citizens.
- The multistakeholder and multisectoral approach that is adopted by the National Health Financing Dialogue model has been crucial in rallying national support and outlining potential solutions for health financing challenges that are unique to each country's context.
- Efforts have been made to align the fragmented health financing activities within the broader continental Agenda. Greater synergy and efficiency are achieved by coordinating the activities of various stakeholders under the ALM-Investing in Health Agenda, and the key message that Africa is taking greater ownership of its health systems continues to be weaved into these existing and ongoing initiatives.
- The knowledge gained from previous dialogues conducted within the region has also played a vital role in continuously improving engagements and interventions in other countries. These learnings provide valuable insights into what works and what doesn't, allowing for more effective strategies moving forward.
- Domestication of private sector engagement framework: Private sector investment in health implementation of arrangements and roadmap has been developed with the government of Malawi.

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- However, it is important to acknowledge that implementing Health Financing Reforms often requires extensive follow-up, adaptability to the country landscape and ongoing technical support. The implementation of national commitments and technical assistance plans must be closely monitored to ensure their successful execution.
- Though there might be some challenges, there has been an encouraging increase in the number of countries expressing interest in undertaking National Health Financing Dialogues and embarking on health financing interventions. This growing enthusiasm demonstrates a recognition of the importance of investing in healthcare and suggests a positive trend towards improved health systems across different nations.
- An effective RHFH mechanism is dependent on the regional body's ownership and leadership of the initiative. Regional ownership of the ALM has been identified as a major facilitator for effectively carrying out this effort on a regional scale. As such, if existing regional organisations exist, ensuring that the RHFH are incorporated into these structures is likely to ensure their sustainability and a speedy operationalisation process.

Implementation Challenges

1. High-level National Health Financing Dialogues are resource-intensive to organize. This is due to the fact that they involve numerous stakeholders and require extensive planning time, necessitating substantial financial and human resources.
2. Supporting the implementation of Technical Assistance Plans that emanate from the National Health Financing Dialogues in the context of inadequate/no program and operational funds is proving to be a daunting task for the newly established Regional Health Financing Hubs in SADC, EAC.
3. RHFHs must continue to urge Member States to demonstrate ownership (through joint resourcing) for interventions, such as the National Dialogue as well as covering costs associated with staffing and operations of RHFHs as this will support joint resource mobilisation efforts when governments commit resources to ALM activities. Additionally, this will further concretize the ALM's fundamental principles.
4. Coordination with various government ministries, departments, and agencies to ensure the active participation of key stakeholders, particularly the Ministries of Health and Finance, is a challenge that necessitates extensive engagement at the highest level, as outlined in the ALM declaration through the commitment to "convene African Ministers of Finance and Health every two years to discuss health financing" and additional steps must be taken to realise this commitment in support of the broader ALM agenda.

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Future Commitments

In accordance with its mandate to establish Regional Health Financing Hubs in Africa's five regions and expand its work in the health financing agenda, AUDA-NEPAD seeks to advance the ALM Initiatives as follows:

1. **Stakeholder Engagement:** AUDA-NEPAD will continue to engage key stakeholders, including RECs, the AUC, and Development Partners, to enhance alignment and collaboration in implementing the ALM declaration's objectives.
2. **Capacity Building:** Building the capacity of the remaining RECs to host Regional Health Financing Hubs and identifying areas requiring support and intervention.
3. **Technical Support:** AUDA-NEPAD will provide technical support to facilitate the rollout of roadmaps developed by ECOWAS through WAHO and IGAD, ensuring that the RHFHs are formally established, and health financing efforts are coordinated and effective, and beginning the engagement of North and Central Africa in the fourth quarter of 2023.
4. **Compile Annual Report** for submission to the AU Summit through the AWA and prepare Heads of State to report progress at the the AU 37th Ordinary AU Summit
5. **Private Sector Engagement:** The private sector engagement framework will be institutionalised at the national and regional levels, thereby encouraging a greater role for the private sector in health financing. Priority activities include, but are not limited to, the establishment of a national knowledge and learning platform for private sector investment in health and providing assistance to countries to strengthen private sector investment in health.
6. **Support for National Dialogues:** AUDA-NEPAD will continue to provide technical assistance and financial support for National Health Financing Dialogues in Member States, thereby enhancing their capacity to mobilise resources and develop national sustainable health financing strategies.
7. **Review and reflections:** Review and document key lessons learned from operationalising RHFH (SADC and EAC) and country dialogue action points. This procedure will define the medium-term strategies and operational modalities of RHFH.
8. **Streamline health financing performance assessment tracker:** Incorporate the health financing tracker into the M&E framework in order to measure the outcome and long-term impact of health financing reforms and to conduct a pre-dialogue rapid assessment of the situation of health financing in member states.
9. **Leverage on the established continental civil society coalition** on health financing to further drive advocacy efforts

We thank all ALM partners for their continued commitment to advancing this continental initiative for the attainment of diversified and sustainable domestic health financing aimed at ensuring quality healthcare access for every African citizen.

Acknowledgements

We sincerely thank our valued partners for their unwavering support and commitment to the ALM Initiative. Your dedication has been instrumental in driving the success of this endeavour, and we are immensely grateful for your invaluable contributions.

The Bill and Melinda Gates Foundation, The Global Fund, Georgetown University, Regional Economic Communities, Member States, and Technical Experts have played a pivotal role in shaping the ALM Initiative into a catalyst for renewed momentum. Your collective expertise, resources, and collaboration have been the cornerstones of our progress, and we acknowledge the significance of your involvement.

As we move forward, we remain committed to the principles of partnership, dialogue, and shared responsibility that have been the hallmark of our collaboration. Your unwavering commitment strengthens our resolve to achieve the goals of the ALM Initiative and make a lasting impact on the Africa's Health Architecture.

Once again, thank you for your steadfast support. Your trust and partnership inspire us to strive for excellence and drive meaningful change. We look forward to continuing this journey together and realizing the full potential of the ALM Initiative.

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