



Zimbabwe Aids Network: Civil Society  
Coordination Platform on Health, HIV and SRHR

## ANALYSIS OF THE MID-TERM REVIEW AND SUPPLEMENTARY BUDGET

### Introduction

In compliance with the Section 7 (2) (a) of the Public Finance and Management Act, the MoFED presented the 2019 Mid-Year Budget Review (MTR) and Supplementary Budget. The MTR presents interesting dynamics for the health sector, which ZAN has attempted to unpack in brief.

### Reduction of % allocation to the Ministry of Health and Child Care

There is a significant decline in terms of the proportion allocation to MoHCC by 2.49% compared to the Enacted Budget. In contrast to vote appropriations for other sectors such as Office of President and Cabinet, Ministries of Finance and Economic Development, and Local Government and National Housing amongst others, the supplementary allocations for the health sector have shrunk substantially. The 6.45% allocation to the MoHCC is still below the 15% and 11.3% Abuja and SADC benchmarks respectively. On paper, the government seems to prioritize the health sector, committing to re-galvanize the public health system but this has not been matched by substantial financial investments.

### Revision of user fees

The government seems unrelenting in its pursuit of austerity measures, extending the same to the social sectors, as evidenced by the upward revision of user fees. Catastrophic costs represent an affront to the principles of universal healthcare, which effectively disenfranchise the majority who depend on the public health delivery system. The cumulative effect of this policy direction is to stymie attainment of targets enunciated in key health sector policy positions.

### Human Resources for Health

Interrogating the budget review, it is noticeable that the the government has attempted to improve the welfare of the civil servants, health personnel included, through the provision of cushioning allowances. Nonetheless, the allocation falls short of a basic living salary. Reviewing the prevailing exchange rates, one can depict that more than 70% of civil

servants are living under the poverty datum line of US\$1.25 per day. This negates the government's push towards middle-income economy by 2030.

### Continued overreliance on external sources of financing for health

It is projected that the country shall receive US\$347million from development partners for healthcare service delivery, constituting 54% of the development assistance in 2019. This implies that the health sector continues to rely on external sources of finance which are not sustainable. Reliance on external sources is contradictory to the various international and regional instruments which places the domestic resource mobilization responsibility on the state.

### Budget Deficit or Surplus

Whilst the ministry declared a budget surplus, the MTR reveals a deficit to the tune of \$4billion which translates to 10% of the total budget. Ideally, a surplus would put the country in a strong position to address the challenges of drugs and medicines shortages. Considering the deficit, there are questions on the state's capacity to service its obligations on domestic financing for health.

### Resuscitation of health infrastructure; a fallacy

Whilst ZAN, applaud the stated goal to improve the health infrastructure, the budget review shows that of the planned 127 projects for 2019, 75 are not yet started whilst 5 are stalled, meaning a paltry 40% of the projects have taken off. In that respect, achieving the target of 127 projects by December 2019 may remain a fallacy.

### Our Take

The government is lacking in demonstrating a paradigm shift in the way the health sector performs as well as to proffer new directions that can enhance efficiency and effectiveness in healthcare service delivery to the general populace.