SMART DEVELOPMENT IN PRACTICE

Why should health advocates lead on aid reform?

Global health advocates have a unique role to play in aid reform. Global health programs have made impressive strides in recent years: from 2002 to 2007, the number of people receiving treatment for HIV/AIDS went from 50,000 people to over 2.1 million. The Global Fund has distributed 88 million bed nets to protect families from malaria since 2002. However, the US global health portfolio is currently scattered across an out-of-date bureaucracy and lacks a clear strategy.

The Modernizing Foreign Assistance Network is calling for four key reforms to fix the foreign aid system: a unified strategy, better legislation, a rebuilt structure, and more resources.

#1. A unified strategy

The best way to make a long-term difference in health outcomes is to integrate health and other crucial interventions into a unified strategy for fighting poverty.

US health spending is fragmented into sectoral projects in HIV/AIDS, malaria, child survival, infectious diseases, and more. As Congress and successive presidents have responded to global health crises with new funding and initiatives, strategic thinking has failed to keep pace. The government has no overall plan for its health portfolio or means to explain how health interventions can best be integrated with other development programs.

Health experts have long argued that when a community sees improvements to food security, water, and education, health outcomes improve dramatically.[1] With a unified strategy, development aid can implement holistic solutions that better address all the interrelated causes of poverty and poor health.

> *"We need to convince our development partners (who support us with external aid) that some of the money they provide us with should no longer be earmarked for their favorite diseases, mainly HIV, but must be spent to improve our general health services so that we can handle all diseases better and according to our actual disease priorities."*
> *—an excerpt from Guyana's 2008 national health strategy*[2]

Resources for US global health assistance have not been allocated to populations of greatest need:[3]

[1] "Thirty ways to improve the health of the world's poorest people," PLoS Medicine 4, no.10 (2007), www.plosmedicine.org/article/info%3Adoi%2F10.1371%2Fjournal.pmed.0040310.
[2] "National health sector strategy 2008–12" (Georgetown, Guyana: Ministry of Health, 2008).
[3] Institute for Health Metrics and Evaluation, University of Washington, www.healthmetricsandevaluation.org/resources/policyreports/2009/financing_global_health_0709.html.

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	Top 10 countries by burden of disease*	Top 10 recipients of US global health aid
1.	India	Iraq
2.	China	Afghanistan
3.	Nigeria	Uganda
4.	Indonesia	Kenya
5.	Pakistan	South Africa
6.	Russia	Nigeria
7.	Bangladesh	Zambia
8.	Brazil	Tanzania
9.	Ethiopia	India
10.	Democratic Republic of Congo	Ethiopia

*Disease burden is measured in disability-adjusted life years (DALYs).

While disease burden is not the only factor to consider in allocation of US aid to global health, the mismatch between need and resources reflects the demand for a strategy for fighting global disease most effectively. An overall US government global development strategy would provide clearer guidance on how to allocate resources between competing health priorities and regions.

There are promising initial signs that US aid agencies are starting to move away from fragmented health projects and toward supporting comprehensive country health plans. This year, PEPFAR has signed five-year "Partnership Framework" agreements with Malawi, Swaziland, and Angola, committing to focus on the priorities laid out in those nations' own HIV plans. This concept should be applied to crafting a long-term, holistic vision for how the US will fight global poverty through health and other interventions.

#2. Effective legislation

The health sector needs flexible and effective foreign aid legislation that reduces energy spent on "workarounds" to adapt to conditions on the ground.

US health and other development programs are overly encumbered by political and bureaucratic constraints like presidential initiatives, Congressional earmarks, and duplicative reporting requirements. Health professionals need effective and transparent legislation to give clear direction to global health policy and reduce the bureaucratic burdens on implementing effective programs.

> *"We're hampered by presidential initiatives and earmarks that put us in boxes and force us to program within boxes. ... These initiatives challenge our ability to be creative and adapt to the context in which we work."*
> *—USAID mission staff member in one country*[4]

Mission directors and health professionals need more flexibility to respond to conditions on the ground. They also need clear, rather than conflicting, guidance on their purpose to be able to deliver results. Currently, there are nearly 40 pieces of major legislation governing

[4] Oxfam original field research conducted in 2008.

foreign assistance.[5] Although mission staff have become adept at creating workarounds to these laws in order to respond to local needs, there is a very real efficiency cost to navigating the sometimes contradictory legislation.

#3. Rebuilt structure

The health sector needs to sit within a modern organizational structure for US foreign aid, one with a single health strategy, not hundreds of individual health projects.

Simplifying aid's bureaucratic organization will clarify the chain of command for health programs. A multitude of government agencies implement US foreign aid in the health sector. In Mozambique alone, PEPFAR—one of multiple US health programs present—is implemented by at least five US government agencies, including the Centers for Disease Control and Prevention, USAID, the Defense Department, the State Department, and the Peace Corps.

This mix of agencies creates difficulties for USAID mission staff, implementers, and the ministries of health. Health players in the field spend more and more time coordinating the 12 different US government agencies conducting health projects, and less and less time focusing on patient care.

> *"I don't want to be a minister of health projects. I want to be a minister of health."*
> *—Mozambican Minister of Health Paolo Ivo Garrido*[6]

The complex machinery of aid also results in transparency problems on the US side: a recent Institute for Health Metrics and Evaluation report revealed that 31 percent of all US global health spending is untraceable to an implementing agency or recipient.[7]

A unified structure is also crucial to better integrate work across sectors: aid for health needs to be integrated with aid for education, water and sanitation, infrastructure, and perhaps most importantly, improved livelihoods so that families have more money to spend on staying healthy and getting care.

[5] "Failing the Cardozo test: Why US foreign assistance legislation needs a fresh start," research conducted by Dechert LLP (Boston: Oxfam America, 2009).
[6] "Donor coordination in Mozambique: The key to expanding a successful program," SCMS in Brief (Arlington, VA: The Supply Chain Management System [SCMS] [PEPFAR implementing partner], June 2007), 2.
[7] Institute for Health Metrics and Evaluation, University of Washington, www.healthmetricsandevaluation.org/resources/policyreports/2009/financing_global_health_0709.html.

Maganja da Costa clinic, Mozambique
Raquel Gomes / Oxfam America

PEPFAR in Mozambique: Promising signs for aid reform

Aid reform is not an academic exercise—it can make improvements in our aid that will save lives. PEPFAR was previously known for bypassing a country's health care system and creating separate clinics. In Mozambique, however, PEPFAR is trying something new. The Ministry of Health initiated a plan to integrate donor-funded HIV clinics into the overall health system—and PEPFAR responded by adding more joint testing facilities and allowing patients with other conditions to benefit from AIDS funding. In the small town of Maganja da Costa, a building near the public clinic bears a freshly painted sign. The sign, which once read "HIV Counseling and Testing," now reads "Health Testing Center." Inside, PEPFAR-grantee Population Services International (PSI) has expanded its services from HIV counseling and testing to cancer, diabetes, and tuberculosis screenings.

At an urban hospital in Quelimane, PSI uses PEPFAR money to fund two nurses and a physician's aide—augmenting the original staff of eight, who were charged with caring for a district of 260,000 people. PSI renovated the hospital's maternity ward, and Columbia University (also through PEPFAR) transports blood samples to the lab, which is hours away.

While PEPFAR is far from being perfectly integrated into the health care system of Mozambique, it's clear that the program has learned from its early mistakes. Breaking down stovepipes and simplifying bureaucracy are the hallmarks of the modern aid apparatus that the US has the potential to create.

#4. Increased resources

To implement a new strategy and law, a rebuilt USAID structure will need more resources.

USAID has lost much of its technical expertise over the years, both in terms of policy analysis and program management. To coordinate overall aid for health policy, and align the efforts of various agencies engaged in global health, it will need significant resources. But as USAID—the nation's official development agency—has lost independence and influence, qualified professional staff have left in droves. In the 1990s, 37 percent of USAID's workforce left without being replaced.

The Development Leadership Initiative, which funds roughly 1,000 new Foreign Service officers over the next three years, represents an important step in the right direction. But Congress and President Obama must work together to communicate clearly to taxpayers the importance of long-term investment in global health. If we invest in solving global health problems through a comprehensive and integrated approach, we save both lives and money.

Developing a unified strategy, better legislation, a rebuilt aid structure, and more resources would be a vital contribution to making health care affordable and accessible for all.

What can health advocates do to reform aid?

- ✓ Contact us at ReformAid@OxfamAmerica.org to learn more.
- ✓ Join the Modernizing Foreign Assistance Network
- ✓ Mobilize your constituents to ask their Member of Congress to help make our foreign aid as effective as possible in the fight against poverty and global disease.

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