

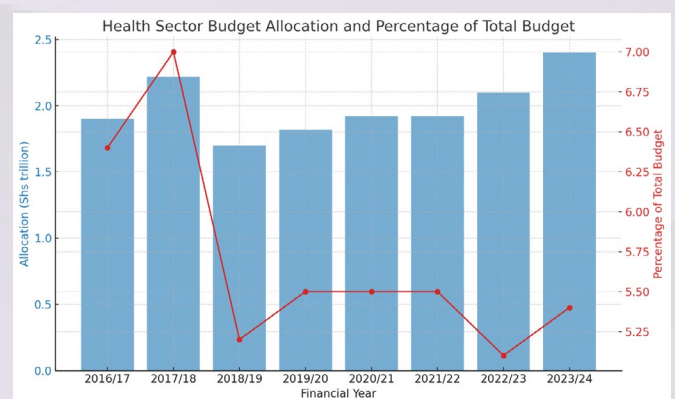
# ACCOUNTABLE AND TRANSPARENT HEALTH BUDGETING IN TANZANIA

## Introduction

The brief examines the Health Sector Budget for 2023/2024 and considers the pattern of budget allocation in comparison to the country's Health Sector Strategic Plan V (2020/2021 – 2025/2026). The analysis also discusses the trends in the overall share of the health sector budget for development and recurrent allocation. In this budget brief Policy Forum and TGNP calls upon the government to prioritize and continue investing in physical health infrastructure and the development of human resources. The investment in the health sector has led to a transformation in the image of healthcare in the country, both in terms of technology and infrastructure. This is evidenced by the fact that the number of overseas medical referrals has decreased by 97%.

### *Trend of the Health Sector Budget for ten years 2013/14 – 2023/24*

The health sector budget growth has been declining over years. As a proportion of national budget, the allocation to the sector reveals the decline as can be seen in the trend almost a decade i.e., 8.2% (2013/14) 7.99% (2014/15), 8.1% (2015/16), 6.7% (2016/17), 7% (2017/18), 3% (2018/2019), 3% (2019/2020), 5% (2020/2021), 4.8% (2021/2022), 5.2% (2022/2023) and 5.5% (2023/24). Abuja Declaration, which Tanzania is a subscriber to, require governments to allocate 15% of their government budgets to health to address the pressing health challenges.



From the figure above, the share of the health sector to the national budget should be increased considerably due to factors such as population growth. The quality of health spending can be improved through enhancing budget execution performance and better monitoring of public expenditure. The vision of the HSSP V is have a healthy and prosperous society that contributes fully to the development of individuals and the nation. As its mission, the health sector will provide sustainable health services with standards that are acceptable to all citizens without financial constraints, based on geographical location and gender equity.

### ***Performance of the 2022/2023 Ministry of Health Budget***

In the Financial Year 2022/2023 a total of TZS 1,109,421,722,000.00 was allocated to the Ministry of health of which TZS 554 billion (49.96%) was for recurrent and TZS 555 billion was for development expenditures equivalent to 50.04%. An amount of TZS 742,905,741,100.11 was disbursed by March 2023 which was 67% of the total allocated budget for that specific period of which TZS 459 billion was for recurrent (83%) and TZS 284 billion (51%) was for development expenditures.

The government has been able to improve and construct different health infrastructure system in the country such as the Government used 45.3 billion shillings to construct five (5) Regional Referral Hospitals to improve the health sector in Katavi, Geita, Njombe, Songwe and Simiyu regions. In addition, the Government also used 246.4 billion shillings to improve healthcare infrastructure in Local Government Authorities, including the construction of 59 hospitals.

Tanzania has made significant progress in improving the health of its citizens.

Life expectancy has increased from 66 years to 66.6 years, and women now outlive men by an average of 5.1 years. The number of people registered in the National Health Insurance Fund has also increased, from 4.4 million in 2020 to 4.6 million in 2021. In addition, under-five mortality has decreased significantly, from 432 deaths per 100,000 live births to 250, and maternal mortality has dropped from 1,640 deaths per 100,000 live births to 1,580.

### ***Overview of the 2023/24 Health Sector Budget***

The Health sector is the fifth largest recipient of government funding, after general public services, Economic Development, Education, and Defence sectors. The health sector has been allocated TZS 2.44 trillion in the 2023/2024 budget, an increase of 13.5% from the previous year. This reflects the government's commitment to strengthening the services that prevent diseases, such as vaccination services, nutritional services, sanitation, and environmental health services. The government is also committed to strengthening health services at the community level<sup>1</sup>.

There has been a significant increase in the national budget share of the sector from 5.2% in 2022/23 to 5.5% in the 2023/2024 budget. However, this falls short of the Abuja Declaration, which requires member countries to allocate at least a target of 15% of the budget share in health.

The budget for the health sector has been increased in response to the demand for medical equipment and professionals. This is because the government constructed a lot of health infrastructure in the 2022/2023 budget, but some of these facilities are not being used because they lack medical equipment and professionals.

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<sup>1</sup> Budget Speech by the Minister of Health, 2023/2024

The national distribution of the 2023/2024 national budget share is shown in the figure below;

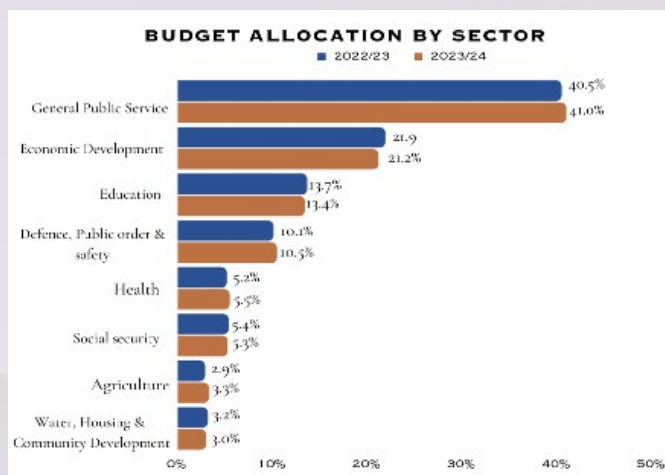


Figure 2: 2023/2024 National Budget Share per Sectors<sup>1</sup>

**Below are the areas of priority with budget lines in the sector for 2023/2024:**

1. Strengthening services for prevention against diseases including immunization services, nutritional services, sanitation services and environmental health and community level health services. An amount TZS 114,369, 234,904 is set aside for immunization services, 21,000,000,000 for nutritional services and 13,500,000,000 for sanitation services and environmental health and community level health services.
2. Strengthen the availability and quality of services health provided by public centers in all levels. An amount TZS 91,898,000,000 is set aside for improving of health infrastructures in referral hospitals.
3. Strengthening access and control of medicines, equipment, medical equipment, reagents, and safe blood at all levels of health care delivery. An amount TZS 205,063, 250,000 is set aside for this section. 250,000 is set aside for this section.

4. Strengthening Maternal Health services, mothers and child to reduce maternal mortality and infants' mortality. An amount TZS 16,216, 250,000 is set aside for this section.
5. Strengthening championship medical services and championship to move these services closer to citizens and reduce their costs to get these treatments abroad. An amount TZS 23,000,000,000 is set aside for this section.
6. Strengthening Mental Health services, services of sedation and palliative care. An amount TZS 2,000,000,000 is set aside for this section.
7. Control of epidemics and diseases risk of infection. An amount TZS 20,750,402,000 is set aside for this section.
8. Controlling infectious diseases in particular Malaria, Tuberculosis (TB), HIV/AIDS and Hepatitis. An amount TZS 101,456,809,628 is set aside for this section.
9. Controlling non-communicable diseases and strengthening emergency services in the country including accidents. An amount TZS 22,000,000,000 is set aside for this section.
10. Strengthening the availability of experts in the Industry of Health in intermediate fields, specialist services and medical specialist. An amount TZS 83,142,000,000 is set aside for this section.
11. Developing and managing natural medicine services and alternative medicine in the country
12. Strengthening IT Systems and the use of statistics. An amount TZS 2,500,000,000 is set aside for this section.
13. Strengthening the systems of paying for services of health in the country.
14. Manage research and use of results various health studies. An amount TZS 20,378,969,000 is set aside for this section.

<sup>1</sup> URT (2023). The 2021/2022 CAG report

<sup>2</sup> Budget speech by the Minister of Finance & Planning, 2023/2024



## Gaps in the Health Sector Budget 2023/2024

**The health sector is underfinanced.** The above short analysis brief shows that financing targets has not been met indicating that the health sector is not budget prioritized. It means that, despite the existing efforts, current investments such as investments in building infrastructures, building and renovation of referral, regional, and district hospitals and upgrading health centers and dispensaries, the coverage of health facilities is still inadequate to suffice the needs, especially in most remote rural areas where there are more pronounced access and or proximity and affordability challenges in the country's health infrastructure and workforce are not sufficient to ensure that access to quality primary healthcare for all in the foreseeable future.

### Conclusion & Recommendations

1. The Government should make more efforts to reduce the physical distance to primary healthcare by closing the existing 'health infrastructure gap' and the 'human resource for health gap'. These efforts must be accompanied by an adequate operational budget to ensure that newly established primary healthcare facilities are fully functional.
2. There should also be a directive from the Government to all institutions that provide surveys and routine data on gender statistics in their reporting. This will assist in planning and making various decisions in accordance with gender needs.

3. The government should allocate more funds to health centers and dispensaries. The introduction of Direct Health Facility Financing in 2017/2018 was a positive step, as it strengthened the financial management of health facilities and improved their performance. However, health centers and dispensaries need a larger share of the operational budget to be able to respond flexibly to local challenges and patients' different needs. The enhanced fiscal autonomy of health centers and dispensaries must be accompanied by greater community involvement to ensure transparency and accountability<sup>1</sup>.

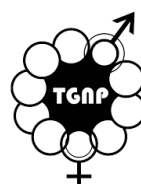
<sup>1</sup> Health Sector Strategic Plan July 2021 – June 2026 (HSSP V)

### Key Message

Despite the resources invested in the health sector, there is still a lack of urgency in addressing the gender needs of the sector, particularly the burden of unpaid care on women and the rural population. Additionally, the regional target of allocating 15% of the national budget to health (5.5% to primary health care) is still far from being met. The Health Ministry should advocate for adequate funding, with strong and clear arguments that investing in health is a productive sector that builds human capital, reduces poverty and inequality, safeguards health security from pandemics, improves workforce productivity, and provides employment.



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