



THE AID EFFECTIVENESS FRAMEWORK FOR HEALTH IN SOUTH AFRICA

*Working together to implement the Negotiated Service Delivery Agreement
and to attain the Millennium Development Goals*



health

Department:
Health
REPUBLIC OF SOUTH AFRICA



Foreword by Minister of Health

The vision of the government for the health sector is “A Long and Healthy Life for All South Africans”. Therefore the priority of the Department of Health is to improve the health status of the entire population and to alleviate the quadruple burden of disease faced by our nation. To this end, we have identified four key priority outputs that will make us achieve our objectives. These are (1) Increasing life expectancy (2) Decreasing maternal and child mortality (3) Combating HIV and AIDS and decreasing the burden of diseases from tuberculosis (TB) (4) Strengthening health system effectiveness.

To achieve these priority outputs we will require, close collaboration across government, civil society organisations, the private sector and with international development partners.

The Ministry has already signed service level agreements (SLAs) with eight national government departments and all nine provincial health departments. These partnerships will be key in achieving the outcome for the health sector. They will define what needs to be done, by whom, and the time frames for those activities and resources to be utilised.

Similarly development partners, civil society organisations, labour and business need to streamline their activities with those of the department and contribute to a single national health strategy of improving the health status of all South Africans, especially the poor and the vulnerable. Although at only 1% of the National Budget, the contribution of official development assistance (ODA) to the strengthening of our fledgling democratic state cannot be overstated. Development partners complemented government’s efforts in redressing socio-economic injustices and divisions of the past; contributing to the redress of the imbalances and inequities of health services; and the achievement of an integrated, single public health system based on the principles of equity and co-operative governance.



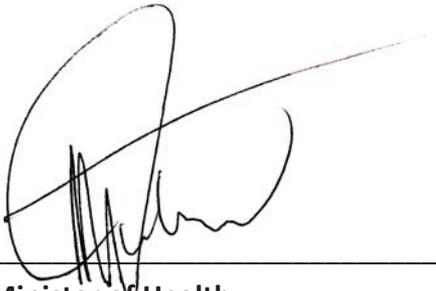
The department will need the same commitment from its partners in addressing the new health challenges faced by the population of South Africa. Despite our achievements of increasing access to services by expanding primary healthcare (PHC) services (since 1994, about 1 800 clinics and community health centers (CHCs) have been built); the introduction of new progressive healthcare programmes on women's, child and mental health, nutrition, HIV and AIDS, TB, malaria and tobacco control; the hospital revitalisation programme; and a health budget at 8% of Gross Domestic Product (GDP), challenges remain:

- Life expectancy in South Africa has declined
- Maternal and child mortality rates are unacceptably high
- South Africa carries a significant burden of disease from HIV and AIDS and TB
- South Africa has a predominantly curative health system that places less emphasis on disease prevention and health promotion.

We now need to do things differently by being decisive and systematic. Quantifiable interventions must be implemented to address these adverse trends. Through the Negotiated Service Delivery Agreement (NSDA), we have embarked on an outcomes based approach to service delivery. For our development partners, it has become necessary, therefore, to review the role of ODA and other assistance in the new social compact outlined in the NSDA and agree on the re-alignment of ODA to our national developmental priorities, strategies and implementation plans. This will promote a more sustainable developmental approach, characterised by the mobilisation of resources and the strengthening of departmental capacity and systems.

It has become necessary to create a partnership framework that will co-ordinate all ODA activities in the health sector. The Department of Health will assume a leadership role in this process, by taking ownership of the strategies, action plans and review mechanisms. We will now focus on results, link our activities to outputs, ensuring clear and unambiguous expectations, to facilitate the process of alignment and co-ordination.

The *Aid Effectiveness Framework for Health* is the tool that will guide our partnership activities. We hope it will receive enthusiastic support and acceptance by all stakeholders in the health sector.

A handwritten signature in black ink, consisting of a large, sweeping loop on the left and several vertical strokes, followed by a horizontal line that extends to the right.

Minister of Health
Dr P.A. Motsoaledi



Statement by the Director-General

The NSDA is an outcome-based approach to service delivery, designed to ensure that the government is focused on achieving real improvements in the healthcare of all South Africans. It ensures that all resources utilised and activities undertaken are linked to real improvements in people's lives. It affords the department an opportunity to improve the health system effectiveness and to attain outputs to our key priorities.

Achieving our key objectives will require fundamental reform of the health system, including:

- A major focus on improved infrastructure, human resources for health and management capacity.
- Accountable planning and budgeting with the development of sufficient financial management capacity and skills to provide oversight and detect and prevent mismanagement of funds at all levels.
- Reliable information management and systems, ensuring better tracking of the health status of the population and the production of disease profile data, to enable targeted value-adding strategies and interventions.

Equally important will be predictable and co-ordinated support by the development partners. Development aid has been key in providing essential programmatic support for the health sector for many years. However, there have been mixed results with regard to impact on health outcomes due to multiple funding streams, large volumes of disease-specific funding, with resultant distortions and poor co-ordination of development aid activities.

The NSDA outlines health priorities that are aligned with the South African government's national development frameworks. It links strategy to the budgetary processes and outlines the multi-sectoral, sectoral and disease-specific strategies that are linked to specific objectives, outputs and the impact to be achieved. It brings together all elements that different partners can focus on in assisting the department to reverse the unprecedented burden of disease that South Africans are facing, especially the poor and the vulnerable. It offers opportunities to improve health outcomes through alignment and better co-ordination

around a single national health strategy.

The *Aid Effectiveness Framework for Health*, based on the Paris declaration and the guidelines proposed by National Treasury, presents a sound basis for addressing the challenges of misalignment and poor co-ordination of aid.

Special thanks to the NSDA/ODA Working Group for their contribution to the framework, Dr Thabang Mosala for her constructive input and Dr Bogosi Mogale who coordinated the drafting of the framework.



Director-General of Health

Ms M.P. Matsoso

Executive Summary

The overall goal of *The Aid Effectiveness Framework (AEF) for Health in South Africa* is to empower the South African Government (SAG) to take the lead in co-ordinating and overseeing development aid at all levels, combined with its own resources, in dialogue with its development partners. The AEF is aimed at addressing issues of aid alignment to the Negotiated Service Delivery Agreement (NSDA) of the Ministry of Health (MOH) and the harmonisation of development partners' action plans to this alignment. It will also address the establishment of mutually agreed parameters that will provide transparency, accountability, and reliable assessment of performance. This will entail financial and other substantive accountability, answerability for the management and control of resources, and for project management. The development partners will contribute, support and ensure accountability of official development assistance (ODA) utilised in the implementation of the department's NSDA.

The intention of the framework is to forge a collaborative partnership between the Department of Health (DOH) throughout its various levels, its development partners representing bilateral donors, multilateral organisations, private sector business entities and civic society organisations (CSOs). All development partners are encouraged to support the AEF and contribute to its implementation, towards the achievement of the NSDA outcomes and the Millennium Development Goals (MDGs).

Scope of the Aid Effectiveness Framework

- The AEF has been drawn up within the context of the South African health sector's NSDA. The NSDA lays out the department's vision for improving the health status of the South African population, especially the poor and most vulnerable. It emphasises the expansion of quality primary healthcare as the cornerstone of improving the health status of the population.
- The AEF seeks to achieve support for a single national health strategy, and the highest degree of alignment possible by its development partners with the department's strategic planning, budgetary, accounting and review systems.
- The AEF seeks alignment of development partner assistance with departmental processes, so as to make planning and implementation more efficient, reduce the administrative burden and minimize transaction costs, while at the same time recognising the need to strengthen the department's internal capacity and procedures.
- BY supporting the AEF, the partners commit themselves to respect the principles of ownership by the department, result-oriented management of resources, alignment and harmonisation of aid and mutual accountability for outcomes, as internationally agreed in the context of the *Paris Declaration on Aid Effectiveness*.

- The department also commits itself to engage all partner agencies intending to contribute to the health sector, to support the development and implementation of the AEF.

Guiding Principles of the Aid Effectiveness Framework

The five key principles of the *Paris Declaration on Aid Effectiveness* will form the foundations of the AEF for the health sector in South Africa. These are:

- **Ownership** of development strategies by the Government of South Africa
- **Alignment** of aid by development partners in line with these strategies
- **Harmonisation** of actions by development partners through co-ordinating their actions sharing information and simplifying procedures
- **Managing for results** by producing and measuring development results
- **Mutual accountability** for development outcomes by the government and development partners.

Aid Effectiveness Framework Review Mechanisms

The AEF review structures will be central towards the achievement of an efficient well-co-ordinated and responsive partnership.

- The executive **ODA Co-ordinating Forum**, which will be chaired by the Minister of Health or his/her delegate will meet at least once a year to review progress, on negotiated and agreed outcomes and objectives.
- The technical **ODA Planning Forum**, which will be led by the Director-General (DG) or his/her delegate. It is made up of the department, which will assume the leadership role and the development partners (which include the private sector and CSOs). It will determine implementation strategies, action plans and agree on implementing entities.
- **The Technical Committee of the National Health Council (NHC)**, consisting of the DG, Deputy Directors-General (DDGs) and Heads of Provincial Departments (HODs), will have a monitoring role of provincial ODA activities.
- **The Development Co-operation Unit (DCU)** of the International Health Liaison (IHL) Cluster in the

department will act as secretariat to the ODA Planning Forum. It will determine inputs and outputs of information flows, management and communication related to all ODA activities

- **Programme/Project Steering Committees** will be established between the department and development partners, depending on programme/project implementation plans, to oversee the implementation of specific programmes/projects based on bilateral or multilateral agreements between the SAG, department and development partners
- **Provincial ODA Co-ordinators** will review and report on ODA implementation and activities in their provinces to the Technical Committee of the NHC and the DCU.

The Role of Data in the Implementation of the Aid Effectiveness Framework

The AEF must ensure that the ODA Planning Forum has access to high quality data and analysis to inform its decisions related to ODA co-ordination. For example, detailed health expenditure data from all funding sources will be essential to understanding the overall landscape of funding and identifying the efficiency of allocations. The ODA Planning Forum will institute a formal process to collect this crucial data, from all levels of government, the development partners and implementing agencies.

Co-ordination of the Aid Effectiveness Framework Implementation

To effectively implement the framework, co-ordinate its processes and monitor the expected deliverables, the current departmental ODA co-ordination structures (national and provincial) will need to be strengthened. There will be concerted effort by the department and development partners to empower (acknowledgement, support and capacity building) the DCU in the IHL Cluster as the lead unit to action and co-ordinate the implementation of the AEF. The unit is regarded as the single entry point for all ODA programmes into the department and is tasked with the co-ordination of all development aid activities. It will prepare and present regular reports to the ODA Planning Forum.

Acknowledgements

The department would like to acknowledge the following contributions:

- DFID which provided support for the development of the framework.

NSDA/ODA Working Group Members:

- South African National Department of Health - Development Co-operation Unit, Communication Cluster
- South African National Treasury- International Development Co-operation
- European Union (EU)
- United Kingdom Department for International Development (UK – DFID)
- Joint United Nations Programme on HIV/AIDS (UNAIDS)
- United Nations Children’s Fund (UNICEF)
- United States Government – Center for Disease Control (USG – CDC)
- World Health Organisation (WHO).

Other contributors:

- Clinton Health Access Initiative

Table of Contents

| | |
|--|----|
| Foreword by Minister | 2 |
| Statement by Director-General | 5 |
| Executive Summary | 7 |
| Acknowledgements | 10 |
| Table of contents | 11 |
| Acronyms | 13 |
| 1. Introduction | 15 |
| 1.1 Health Sector Challenges and Priorities in South Africa | 15 |
| 1.2 Health Sector – Development Partnership Challenges | 17 |
| 2. The NSDA and Health Status Priority Indicators | 17 |
| 3. Public Health Sector Legislation and Policy | 18 |
| 4. The Aid Effectiveness Framework for Health | 19 |
| 4.1 Preamble | 19 |
| 4.2 Purpose | 20 |
| 4.3 Objectives | 20 |
| 4.4 Guiding Principles | 20 |
| 4.5 Operational Framework | 23 |
| 4.6 Review Mechanisms and Structures | 23 |
| 4.7 The Role of Data in Implementation | 25 |
| 4.8 General Roles and Responsibilities | 26 |
| 4.9 Planning, Budgeting and Reporting | 27 |
| 4.10 Co-ordinating, Monitoring and Review of Programmes | 27 |
| 4.11 Amendments to the Aid Effectiveness Framework and Performance Reviews | 28 |



4.12 Effective Date

28

4.13 Duration

28

Acronyms

| | | |
|-------------|---|--|
| AEF | - | Aid Effectiveness Framework |
| AIDS | - | Acquired Immunodeficiency Syndrome |
| CDC | - | Center for Disease Control |
| CHC | - | Community Health Centre |
| CSO | - | Civil Society Organisation |
| DCU | - | Development Co-operation Unit |
| DDG | - | Deputy Director-General |
| DFID | - | Department for International Development (UK) |
| DG | - | Director-General |
| DOH | - | Department of Health |
| GDP | - | Gross Domestic Product |
| HIV | - | Human Immunodeficiency Virus |
| HOD | - | Head of Department (Provincial) |
| IDC | - | International Development Co-operation (National Treasury) |
| IHL | - | International Health Liaison (DOH) |
| IMR | - | Infant Mortality Rate |
| MDG | - | Millennium Development Goals |
| NGO | - | Non-Governmental Organisation |
| NHI | - | National Health Insurance |
| NHIS | - | National Health Information System |
| NHC | - | National Health Council |
| NHCF | - | National Health Consultative Forum |
| NHLS | - | National Health Laboratory Services |

| | | |
|---------------|---|--|
| NHS | - | National Health System |
| NSDA | - | Negotiated Service Delivery Agreement |
| ODA | - | Official Development Assistance |
| PFMA | - | Public Finance Management Act |
| PHC | - | Primary Healthcare |
| RDP | - | Reconstruction and Development Programme |
| SAG | - | South African Government |
| SAP | - | Structural Adjustment Programme |
| SLA | - | Service Level Agreement |
| TB | - | Tuberculosis |
| UK | - | United Kingdom |
| UNAIDS | - | Joint United Nations Programme on HIV/AIDS |
| UNICEF | - | United Nations Children's Fund |
| USG | - | United States Government |
| WHO | - | World Health Organisation |

1. Introduction

1.1 Health Sector Challenges and Priorities in South Africa

The Constitution of the Republic of South Africa and other laws regarding health and healthcare services have imposed obligations on the Ministry of Health to actively promote and improve the national health system in South Africa. Additional to these obligations, the Ministry of Health, on behalf of the South African Government, committed itself to meet the MDGs for health by the year 2015.

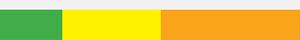
The department has responded to these obligations by developing various policies and a national action plan, *The Ten Point Plan*, which calls for: (1) Provision of strategic leadership and creation of a social compact for better health outcomes (2) Accelerated implementation of the *HIV and AIDS and Sexually Transmitted Infections (STI) National Strategic Plan 2007 to 2011* and increased focus on TB and other communicable diseases (3) Mass mobilisation for better health for the population (4) Improving quality of health services (5) Overhauling the healthcare system and improving its management (6) Improved human resources planning, development and management (7) Revitalisation of infrastructure (8) Review of the drug policy (9) Strengthen research and development; and (10) Implementation of National Health Insurance (NHI).

Provincial authorities are given the responsibility to provide services based on the primary healthcare model. They are given powers to allocate resources for health services and to manage hospitals.

However, despite a substantial increase in healthcare funding, the health needs of most South Africans, especially the poor and vulnerable, are largely unmet. There has been slow progress towards the achievement of the MDGs.

Over the past 10 years, South Africa has shifted to a predominantly curative health system that places less emphasis on disease prevention and health promotion. It is characterised by fragmentation, inequalities and huge disparities in resources between the public and private health sectors. The private health sector on one hand was allowed to grow unfettered and with no cost-containment measures. The ideal of creating one national health system, responsive to the needs of its entire population is still a challenge.

The South African population faces a huge burden of preventable and treatable health problems whose solutions are known, proportionately far beyond the country's share of the world's population. The burden



from communicable and non-communicable diseases and injury and trauma, including the social impact of these, has adversely affected development in South Africa.

The maternal mortality rate will need to drop from between 500 and 1500 to 228 per 100 000 and under-5 mortality from 171 to 61 per 1000 to reach their respective MDGs.

Life expectancy in the country, already low, has been reduced further to an average of 52 years by many factors including structural adjustment programmes and the AIDS epidemic.

Women and children carry a disproportionate share of South Africa's heavy disease burden. Many children are dying annually, mostly from preventable diseases. Women carry the major responsibility for care and poor education may add to their disadvantaged position.

HIV, AIDS, and tuberculosis pose the greatest health challenges in South Africa. However, they should not overshadow the severe burden of other communicable diseases including pneumonia, diarrhoea and measles in children and other diseases that severely debilitate communities affected by them. Cholera, meningitis and measles outbreaks continue, while intermittent cases of Human Avian Influenza remind the country of the pandemic threat that mutation poses.

Followed by the alarming rate of growth of the burden of both death and disability from non-communicable diseases in South Africa is ever more recognised, with chronic diseases becoming ever more prevalent, linked to demographic, behavioral and social changes and urbanisation. Hypertension, cerebro-vascular diseases, diabetes, chronic respiratory disease and the consequences of tobacco use, alcohol abuse and illicit drugs, are growing as serious public health challenges.

Injuries from violence, traffic accidents and other mostly preventable causes result in widespread death and physical disability, while the impact of mental ill-health has previously been underestimated.

Worsening protein energy and micronutrient malnutrition continues to contribute to elevated mortality, while dietary change and inactivity are factors driving the emergence of chronic diseases and obesity. Micronutrient deficiencies including iron, zinc, iodine and vitamin A are a major challenge to development and child survival in South Africa.

1.2 The Health Sector – Development Partnership Challenges

The development partners have committed to support the government in attaining the MDGs for health, which are:

- The reduction by two thirds, between 1990 and 2015, of the under-five mortality rate
- The reduction by three-quarters, between 1990 and 2015 of the maternal mortality rate
- To halve and begin to reverse the spread of HIV by 2015
- To halve and begin to reverse the incidence of malaria and other major diseases.

Unfortunately, progress in meeting these challenges is slow, despite the increased flow of ODA into the health sector.

There is therefore urgent need to review the less than satisfactory impact of intervention strategies notwithstanding the substantial developmental aid investment, and to address the pertinent issues within the complex environment of development assistance in health, for example: (1) the large number and the diverse nature of the development partners (2) large amounts of funding earmarked for specific diseases and interventions, with resultant funding distortions and imbalances within the sector (3) duplication of funding objectives and the pursuit of parallel agendas (4) deliberate by-passing of the government's existing policies and systems of ODA implementation, with the resultant lack of ownership, leadership and co-operation from government (5) insistence on multiple channels of ODA flows (6) insistence on performance indicators that are not consistent with the government's national development strategies.

There is now a need, by the development partners, to promote a more sustainable developmental approach, characterised by the strengthening of the department's capacity to develop outcome-based programmes and monitoring systems, ownership and leadership of policies, strategies and action plans, and the utilisation of common assessment frameworks and monitoring processes.

2. The NSDA and Health Status Priority Indicators

To ensure achievement of the priority health status indicators, the Minister of Health entered into a performance agreement with the President of South Africa in May 2010. This NDSA focuses on the attainment of the following four key health service level delivery outputs:

- **Life expectancy at birth**

To contribute towards a vision of improving the life expectancy at birth for South Africans.

- **Maternal and child mortality**

The set target is to reduce the maternal mortality rate

The set target is to reduce the child mortality rate (neonatal, perinatal, infant)

- **Reduce the burden of diseases like HIV and AIDS and TB**

- **Strengthening health system effectiveness**

For the government to achieve these priority deliverables in the next five years, close inter-sectoral collaboration across government is critical. Equally critical is an effective alliance with all categories of development partners. It has become necessary, therefore, to (1) review the role of all development partners including ODA, in the new social compact outlined in the NSDA (2) commit to the re-alignment and co-ordination of ODA with the re-stated national developmental policies, strategies and implementation plans (3) to promote a more sustainable developmental approach, characterised by the strengthening of departmental capacity.

A framework on aid effectiveness for health is proposed to promote and streamline the relationship between the department and its development partners. This relationship will be centered on the NSDA, its objectives, targets, indicators and its review mechanisms.

3. **Public Health Sector Legislation and Governance**

National Health Act, 2004 (No 61 of 2003),

The National Health Act has tasked the Ministry of Health to actively promote and improve the national health system in South Africa; provide for a system of co-operative governance and management of health services, within national guidelines, norms and standards, address questions of health policy and delivery of quality healthcare services; establish a health system based on decentralised management, principles of equity, efficiency, sound governance, internationally recognised standards of research and a spirit of enquiry and advocacy which encourages participation.

National Health Council (NHC)

The Act also established the NHC to advise the minister on policy concerning matters that will protect, promote,

improve and maintain the health of the population, including the financial and other assistance received from foreign governments and intergovernmental or non-governmental organisations, the conditions applicable to receiving such assistance and the mechanisms to ensure compliance with these conditions.

National Health Consultative Forum (NHCF)

The NHCF has been established by the Act to promote and facilitate interaction, communication and the sharing of information on national health issues between representatives of the national department, national organisations identified by the minister and provincial consultative bodies. The NHCF includes relevant stakeholders, in the public, private, and NGO sector. It is a forum for dialogue between the MOH and all its partners.

Reconstruction and Development Programme (RDP) Fund Amendment Act, 1998 (No 79 of 1998)

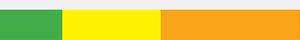
The RDP Fund Act was enacted to establish the RDP Fund which would be credited by, among other sources, domestic and foreign grants, to finance reconstruction and development projects and programmes, identified by the responsible minister, responsible for the co-ordinated implementation thereof, authorised by Cabinet. The Director-General of Finance is the accounting officer and shall keep proper records of all transactions, assets and liabilities of the Fund. Transfers are made from the Fund to a spending agency (any department of State or administration at national, provincial or local level), in accordance to the relevant technical assistance agreement. The accounting officer of the spending agency shall be accountable for the money allocated to that agency.

4. The Aid Effectiveness Framework for Health

4.1 Preamble

This draft Aid Effectiveness Framework (AEF) is developed through consultations between the provincial and national department of health officials who receive official development assistance (ODA), National Treasury's IDC unit and development partners within the public health sector. The AEF document represents the views of the department, development partners, the private sector and CSOs whose input ensures national consensus and collective ownership.

The AEF recognises the complex challenges inherent in the health sector and the department's obligations to provide equitable, quality health services. The AEF is based on the principle of providing support to the building of an effective health system that benefits the South African population and contributes to



sustainable development. It values the principles and guidelines outlined in the National Treasurer's Policy Framework and Operational Guidelines for ODA Management and the Paris Declaration. This framework also sets out the terms and procedures for the partnership between the department and the large group of development partners in support of the health sector's implementation of the NSDA and other departmental priorities. The AEF is not an international treaty and other provisions of bilateral agreements entered into between the government and its partners will prevail over it.

4.2 Purpose

The purpose of the AEF is the provision of a joint strategic framework for co-operation between the Government of South Africa, CSOs, the private sector and development partners (bilateral and multilateral), whereby aid effectiveness will be placed as a high priority, committing to outcome-based policies and strategies, strengthening effective leadership and governance for the purposes of improving service delivery and developmental performance.

4.3 Objectives

The AEF is informed by the following objectives:

- To support the system of co-operative governance and management of health services, within national guidelines, norms and standards
- To support the governments's health policy and the delivery of quality healthcare services
- To support the health system based on decentralised management, principles of equity, efficiency, sound governance, internationally recognised standards of research and a spirit of enquiry
- To provide advocacy that will encourage participation and adherence to the country financial regulatory policies
- To rally all efforts by all stakeholders around one national health strategy.

4.4 Guiding Principles

The AEF is underpinned by principles outlined in the Paris Declaration and the Accra Agenda for Action:

Ownership of policy and strategies by the department:

- The department will be responsible for leadership and ownership of all policy objectives, strategy, operational processes and action plans: the NSDA and strategic action plans.
- The department will be responsible for spearheading the NSDA priorities and will ensure planning capacity at both provincial and district level, to align their annual performance plans and activities to the NSDA.
- The department will be responsible for the strengthening of management capacity (planning, financial, ODA implementation, monitoring and evaluation), across all levels of government services delivery (national, provincial, local).
- The department will improve its data collection and collation methods. It will use appropriate analytic methods to aid its assessment of health determinants, outcomes, priority problem areas and programmatic gaps.

Alignment of Aid

- The development partners will consult the department on priority programmes and activities that would need ODA support. The department should always be involved in the development of new programmes.
- The department and development partners will jointly map implementation plans for ODA activities. The development partners will strengthen the government's capacity to manage ODA and to deliver on the objectives of the NSDA and other priority programmes.
- The development partners will shift ODA towards programmatic and sector budget support funding modalities through centralised funding channels (e.g. the RDP fund) as much as possible.
- In instances where the development partner country regulations preclude full alignment with the department and government system, there will be agreement on the mechanisms to put in place that will employ a phased approach to achieve the ideal alignment of support to the departmental systems, in line with the Paris Declaration.

Harmonisation of Processes and Systems

- The development partners will ensure that their actions are harmonised, transparent and collectively effective. The department will provide leadership to ensure that development activities are co-

ordinated and effective.

- The development partners will enhance collaboration on development assistance between themselves; promote discussion, joint planning, division of labour, reduce duplication and implementing common arrangements of oversight of activities and monitoring and evaluation.
- The development partners will support the sharing and dissemination of information at various levels of implementation, encouraging inter-partner activities on research and capacity building.
- The department will take leadership in the effective resource mobilisation and co-ordination, in support of the department's priorities, through existing donor network groups such as the Health Sector Donor Working Group.

Managing For Results (Monitoring of Deliverables)

- The department will pursue objectives and strategies that clearly define health priorities, equitable access to care, quality of service and measurable, realistic and time-bound health outcomes for all South Africans, especially vulnerable groups (see NSDA priorities). These priorities will form part of provincial and district authority action plans.
- The department will link the implementation strategy of the NSDA with the national, provincial, and local health budgets.
- The department will strengthen existing results-oriented reporting and assessment frameworks and monitoring and evaluation processes.
- The development partners will support and utilise the government's results-oriented reporting and monitoring frameworks. They will link their resources to clearly defined outputs and common performance measurement frameworks.

Mutual Accountability

- The department will account for all fund allocations to its programmes in a transparent manner, and in accordance to the Public Finance Management Act (PFMA).
- Both the department and development partners will enhance mutual accountability and transparency in the use of development resources. This will include disclosures on the amount of funding disbursed and the programmes/projects for which it is disbursed and the intended beneficiaries.
- Both the department and development partners will ensure that proper ODA (fund) management

systems and reporting structures are established and integrated at all levels of government (departments, branches, clusters, provincial and local) and development programmes.

- Both the department and development partners will ensure consistent information flows that are frequent, comprehensive and accurate.

4.5 Operational Framework

ODA Co-ordination by the Department

To effectively implement the framework, co-ordinate its processes and monitor the expected deliverables, the current departmental ODA co-ordination structures (national and provincial) will need to be capacitated and strengthened.

The department and development partners embark on the following activities that will ensure the successful implementation of the AEF:

- They will collaborate in strengthening the capacity and efficiency of the Development Co-ordination Unit in the IHL cluster within the department.
- They will collaborate in enhancing provincial ODA management capacity as equal role-players and point of service delivery agents.
- They will foster joint ownership, collaboration and accountability of all ODA implementation programmes at all levels (national, provincial and local).
- They will ensure efficient management of ODA agreements and programmes at all levels.
- They will encourage expeditious and flexible implementation of ODA programmes.

4.6 Review Mechanisms and Structures

The AEF review structures will be central towards the achievement of an efficient well-co-ordinated and responsive partnership.

- The executive **ODA Co-ordinating Forum**, which is chaired by the Minister of Health or his/her delegate. This forum will meet at least once a year to review progress, on agreed outcomes and objectives. It will replace the Annual Development Partner Consultative Forum.
- The technical **ODA Planning Forum**, which will be led by the DG or his/her delegate.

- It is made up of the Department of Health, which will assume the leadership role and the development partners (which include the private sector and CSOs).
 - It will determine implementation strategies, action plans and agree on implementing entities.
 - It will oversee the implementation of the AEF, negotiate and agree on the specific roles and commitments of all stakeholders.
 - It will review the challenges alignment, harmonisation and division of labour, whether development partners add maximum value or not, whether they should be working in those areas that they are.
 - It will review comparative advantages of partners and encourage lead partners to take more prominence in specific interventions.
 - It will ensure co-ordination of all related programmes, information sharing, division of labour on implementing projects, joint review systems and reporting.
 - It will facilitate sector-wide integration and alignment of support and interventions.
 - It will institute a formal process of accessing high quality data and analysis to inform its decisions related to ODA co-ordination.
 - It will meet at least twice a year.
- **The Technical Committee of the NHC**, consisting of the DG, DDGs and HODs of provincial departments will have a monitoring role of provincial ODA funding flows, implementation of programmes/projects and their review mechanisms. Regular reports on ODA activities will be tabled at this committee.
 - **The Development Co-operation Directorate** of the IHL Cluster in the department will:
 - Act as secretariat to the ODA Planning Forum
 - Determine inputs and outputs of information flows, management and communication related to all ODA activities
 - Implement a program management tool, the Annual Planning Tool (APT), developed by the ODA Planning Forum, to collect expenditure information according to a uniform set of reporting categories for all funding and implementing bodies in the health sector.

- **Steering Committees** will be established between the department and development partners, depending on programme/project implementation plans, to oversee the implementation of specific programmes/projects based on bilateral or multilateral agreements between the government, department and development partners.
- **Provincial ODA Co-ordinators** will review and report on ODA implementation and activities in their provinces. At this level care should be taken to establish functional project or programme steering committees to aid ownership and aid effectiveness.

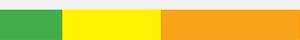
4.7 The Role of Data in Implementation

The AEF must ensure that the ODA Planning Forum has access to high quality data and analysis to inform its decisions related to ODA co-ordination. Detailed health expenditure data from all funding sources (government, development partners, and private sector) will be essential to understanding the overall landscape of funding and identifying opportunities for more efficient allocations. The ODA Planning Forum will institute a formal process to collect this crucial data from government, development partners and implementing agencies.

The ODA Planning Forum will use this process to understand spending patterns both overall and by financial channel in order to:

- Map all funding flows throughout the health sector and compare past and planned spending to priorities (as defined in the NSDA). This analysis will be used to both identify areas of over/under investment and assess alignment with national priorities, to ultimately enable better planning.
- Understand spending patterns across provinces, districts, implementing partners and development partners, and wherever possible, assess spending levels relative to performance and results. This analysis will be used in the dialogues between the government and its development partners to ensure that funds is being spent in the most efficient and effective way possible and that best practices are captured and shared.
- Analyse cost drivers in spending patterns (e.g. overhead, technical assistance, and training).

Within the ODA Planning Forum, an Annual Planning Tool (APT) will be developed and agreed upon by all participants. The APT will act as a program management tool that collects expenditure information



according to a uniform set of reporting categories for all funding and implementing bodies in the health sector. The output of the APT will include a series of analyses run by the department, with input from partners and key stakeholders. Reports and analyses will be presented annually at the Co-ordinating and Planning Forums and will be used to guide decision-making at national, provincial and district levels. The Technical Committee of the NHC will ensure that provincial and district data will be available.

4.8 General Roles and Responsibilities

The AEF ensures a new direction in ODA alignment and co-ordination in the health sector.

The department

- The department will assume leadership in the ODA Co-ordinating Forum, the ODA Planning Forum and Programme/Project Steering Committees.
- The department will champion the implementation of the NSDA, the alignment of ODA to its strategies. The department should always play a major role in the initiation of ODA interventions.
- The department will provide annual strategic plans which reflect expected outputs, action plans, and targets, internal and external resources in accordance with the government's planning and budgeting cycles.

The development partners

- The development partners will participate in various capacities in all the forums, steering committees and project implementation teams.
- The development partners will lend support as much as possible to all ODA review structures.
- The development partners will assist in strengthening the capacity of the department, in particular the DCU in its co-ordinating function related to the forums and other review structures, specifically the setting-up of information management systems for collation and reporting of all ODA activities.
- The development partners will ensure that through their comparative advantages; they will contribute towards the building of sustainable management and planning capacity within the department.

4.9 Planning, Budgeting and Reporting

- The department will avail all relevant reports of its plans, budgets and programme activities to the development partners in accordance with national legislative framework.
- The development partners will communicate annually their total financial commitments, which they intend to make available to the health sector for the subsequent financial year, in order to facilitate integrated planning and annual budget preparation in accordance with the government's budget planning cycle.
- The IDC Unit in the National Treasury will assist the department with the available mechanisms of integrating ODA into the departmental reporting systems, and its inclusion into the departmental planning and budgeting processes, in order to ensure accountability for its allocation and utilisation.

4.10 Co-ordination, Monitoring and Review of Programmes

The department and development partners will through the ODA Co-ordination and Planning Forums agree on the roles and responsibilities for co-ordination and collaboration to facilitate the health sector dialogue.

- Implementation of the NSDA, and the utilisation of development funds in pursuance of its objectives, will be addressed through joint co-ordination, monitoring and analysis mechanisms of the Co-ordinating and the Planning Forums.
- The implementation of the AEF will be monitored using the Monitoring and Evaluation Framework developed by the Planning Forum.
- The department and development partners will jointly agree on a Performance Assessment Framework for the health sector. Indicators will be selected from the department's health information systems, reflected in the department's service delivery action plans.
- An agreed Performance Assessment Framework (PAF) in health will be used as the tool to jointly review the implementation of the health sector strategy and the impact or contribution of all the partners' programmes.
- The AEF guidelines should be used in the initiation and programming of all new ODA interventions, to align them with the NSDA and other departmental service delivery priorities.

4.11 Amendments to the AEF and Review of Partner Performance

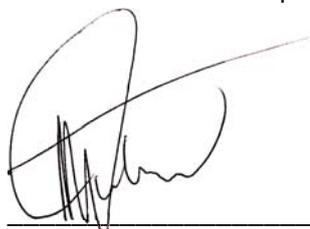
- Any amendments to the provisions of this Framework will be the prerogative of the department in consultation with the relevant stakeholders in the health sector.
- The department will develop a development partner “score card” which will measure the degree of alignment and harmonisation and modalities of support and the extent to which they impact on the implementation of the NSDA. The “score card” will be used by both the department and development partners for measuring progress in the co-ordination of ODA activities. It will be an instrument for bilateral dialogue and not to compare or rank development partners.

4.12 Effective Date

This Aid Effectiveness Framework becomes effective after the official launch by the Minister of Health on 21 January 2011.

4.13 Duration of Framework

This EAF shall be in operation for the duration of the current NSDA programme of action, 2010 to 2014.



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