

Disasters and Public health crises

When using the word 'disasters' in Cambodia people are usually referring to either natural disasters such as a hurricane or man-made ones e.g. a fire or flooding due to soil erosion. Public health crises is a term used to describe events to which health protection services have to respond. Such events might be major outbreaks of infectious diseases, industrial accidents releasing toxic fumes, chemical or biological contamination of water supplies, major epidemic in animals that has implications for human health, or an act of terrorism such as a bomb blast.

Equity

Equity can be defined in very general terms, as an appreciation of what collectively is just to distribute equally between individuals or groups.

Equity Fund

A fund to pay for health services for the poor in order to promote access and lower price barriers to priority health services; the fund may be financed through public and/or external resources.

Evaluation

Evaluation is attributing value to an intervention by gathering reliable and valid information about it in a systematic way, and by making comparisons, for the purposes of making more informed decisions or understanding causal mechanisms or general purposes.

Evidence-based decision making

This is fundamentally, the process of ensuring that the right questions are asked. Is an intervention safe and effective (will it do more good than harm)? Who needs it? Can it be provided under conditions of equal accessibility? Who is the population at risk and what are the relevant clinical and social determinants? What change may be expected in the burden of disease? What are the social consequences? If decisions are based on such comprehensive evidence then the budgetary issues that follow will be more accurately circumscribed.

Exemption

Official permission not to pay for services that one would normally have to pay for.

Goal

An end that an organisation/agency strives to attain based on strategies and plans

Health

In this strategic plan the word 'health' includes population and nutrition

Health action

Any effort, whether in personal health care, public health services or through intersectoral initiatives, whose primary purpose is to improve health.

Health policy

The health policy is the Royal Government of Cambodia's guide to the overall context within which all health and health related work should be developed and implemented.

Health policy analysis

The assessment and opinion on the outcomes and effects of past policies on health status, coverage indicators and organisational issues and the contributing factors to these changes

Health policy statement

A concise interpretation of the health policy
Health sector strategic plan

This sector wide strategic plan is the direction and scope of work in the health sector during the period 2003 - 2007. The strategic plan helps answer the question 'how are we going to successfully achieve the policy statement'? It outlines how all stakeholders can contribute to improving and sustaining the health of the people of Cambodia. The strategic plan reflect strategic thinking, leadership, a wide consultative process, evidence based decision-making, and responsible management.

In the strategic plan there is a goal and strategies for each of the the six areas of work identified as priority if people's health is to be improved by 2007. The strategic plan does not give detail on activities. This is covered in the annual operational plans developed at each level of the health system (see volume 4). Nor does it give detailed information on financial allocations. This is in the medium term expenditure framework (see volume 2). But the strategic plan does reflect some thinking about priority actions and on matching resources to the changing environment.

Health system(s)

A health system comprises all the organisations, institutions and resources that are devoted to producing health actions and outcomes. Health system are constituted, on the one hand, by a system of care whose goal is to correct health problems, prevent their appearance and conceal their consequences. On the other hand, they are formed by a system whose goal is to promote the health of populations.

Indicators

Indicators are measures for checking on progress towards achieving outcomes. They can be quantitative and/or qualitative, have a time frame, and may highlight geographical and/or target groups. Indicators should relate to those aspects of care or organisational/management issues which can be altered by staff.

Institutional development

Refers to the process and content of change in institutions. The term process covers 'how' change is achieved and the term 'content' refers to 'what' is to be achieved.

'How' concerns change management or organization development, e.g. how need for change is identified and accepted; how change programmes are designed and agreed, and how implementation is organized. 'What' relates to the changes that are to be made, e.g. redefining objectives of new human resource policies.

Integration

Measures to make whole or complete by combining or bringing parts of a system together. In the Cambodian health sector, this means merging and/or combining planning and management activities of different health and disease control programmes into one consolidated plan at the provincial and district levels.

Medium term expenditure framework

Sector level financial plan that shows allocation of expenditures including an indication of sources of funds against planned activities and is reviewed annually and rolled over to the subsequent year.

Mission statement

The mission statement of the Ministry of Health provides a sense of purpose and reflects the Constitution and Decrees of the Royal Government of Cambodia.

Minimum package of activities (MPA)

A package of preventive and curative services at primary care/health centre level designed to address priority health problems.

Monitoring

Continuous supervision of an action/activity, which compares the work to the strategic plan and/or annual operational actions for the purpose of checking whether plans and procedures are being followed and will contribute to the successful achievement of a desired outcome.

Operational plan

A yearly agenda of work that indicates all major activities and financial allocations, ranked in order of priority, and tells us the detail of what is needed to achieve the intended outcomes of the strategic plan.

Outcomes

Outcomes are the real or visible effect of decision-making and practice. They should relate to crude rates of adverse events in the population (these give the best indication of the size of a health/disease problem) or when qualitative relate to issues that are system wide.

Outreach

Extension of services from a health facility to specific villages or communities through regular planned visits by health providers from that facility. In Cambodia, the term applies to visits by health centre staff in mobile teams that travel to villages or urban slums and deliver a package of a few preventive and curative services included in the minimum package of activities.

Priority action programme (PAP)

A budgetary system that was first piloted in September 2000 to enable provincial health departments to have increased access to national health budget allocations. The funds are disbursed through a specially designated portion of the national budget, i.e. the Chapter 13 and are released through a post-audit system from the provincial treasury to the provincial health department.

Private sector

The part of the economy of a country that is not under the direct control of the government. There are a number of different players in the private sector in Cambodia. These can be summarised as: private-for-profit, private not-for-profit, and informal sector.

Public sector, and Public health

In the strategic plan the 'public sector' refers to services funded and managed by/within national government systems. Public health is defined as the health of populations/communities as opposed to the health of individuals.

Quality management, Quality prevention and care, Quality of life, Professional quality, and Quality assurance

Quality management is the degree of excellence of a service or a system in meeting the health needs of those most in need at the lowest cost, and within limits, directives and/or regulations. This means looking at issues including equity, accessibility, effectiveness, efficiency, appropriateness and responsiveness. Baselines for quality include: setting national and local level standards, clinical audit, legal rights, and in many countries a patient's charter, patient ombudsman, and a tribunal for patients' rights comprised of ordinary citizens

Quality prevention and care is measured to a great extent by clinical audit (see earlier definition). To move towards higher quality prevention and care, more and better information is commonly required on existing provision, on the interventions offered and major constraints on service implementation. Local and national risk factors need to be understood. Information on numbers and types of providers is a basic requirement. An understanding of provider attitudes and practices and on client utilisation patterns is also needed so that policy makers know why the array of provision exists, as well as where it is going.

Quality of life is about adding life to years. People in many societies nowadays are not worried about dying. They are more concerned about the process of living and dying – will it be painful? Will there be much ill health and/or disability?

Professional quality: professionals' views of whether the service meets patients' needs as assessed by professionals (outcome being one measure), and whether staff correctly select and carry out procedures which are evidence based and necessary to meet patients' needs.

Quality assurance is a general term for actions and systems for monitoring and improving quality. It involves measuring and evaluating quality, but also covers other activities to prevent poor quality and ensure high quality.

Regulation

A rule, ordinance or law by which conduct is ensured at established standards

Sector wide

Sector wide means all institutions, organizations, and agencies, whether public, private, local or international, within the specified sector.

Sector-wide management

Refers to formulating policy and managing all agencies and organisations, both public and private, with a common strategy and mutually agreed management arrangements

Sensitisation

To make somebody more aware of, and better understand, a particular issue or problem, e.g. to make health providers understand the importance of consumer feedback in developing quality health care

Stewardship

Stewardship encompasses the tasks of defining the vision and direction of health policy, exerting influence through regulation and advocacy, and collecting and using information

Strategic options

Broad directions to be chosen based on analysis of what is feasible, has high potential to attain the goal, outcomes and targets, and is within available resources

Standards

Requirements or limits established for use as a rule or basis of comparison in measuring or judging capacity, quantity, and/or quality

Target

The targets in this strategic plan (in box 1a) are those parts of the population i.e. under fives, pregnant women, people aged 15-49 years of age (for HIV/AIDS control) or whole populations i.e. in malarial areas or where dengue is prevalent, which when implemented effectively and efficiently the strategic plan will have a major impact upon.

Values

Values and principles embody the ideals of the Ministry of Health and offer a 'moral' or 'ethical' code that guides decision making to achieve success. They are valuable in communicating the reasons behind decisions should they be questioned.

Working principles

Moral rules or strong beliefs that are meant to guide the every day work of the entire workforce

ANNEX E: PROCESS FOR DEVELOPING HEALTH SECTOR STRATEGIC PLAN

The process of decision making about the direction and scope of the Ministry of Health strategic plan for the health sector was designed mid 2001 and planned to last one year, September 2001-September 2002. It particularly built upon the thinking surrounding the development of a sector wide approach, started in 1999, and the findings of the joint sector review undertaken in 2000. A Core Group was established to take the work forward (see the acknowledgements section).

One of the first design steps that the Core Group took was to draw a road map. This outlined a process involving eight crucial steps to be taken during the year if the product, this strategic plan and the other three volumes, was to address priority health and disease problems in Cambodia –see Figure 5.

The intention of the one-year time frame was also to allow top and senior management decision makers and busy planners and implementers, the time to reflect on and own the direction, scope, and implications, of the strategy as it evolved. The process also aimed to help ensure that the strategic plan is realistic and affordable.

A feature of the road map is opportunities for an ongoing and transparent consultative process with other ministries, with national and international partners and with other stakeholders such as those in the private health sector. Contact with other ministries has been crucial during the process to help ensure the strategic plan is linked to broader reforms within government and that it reflects recognition that improving health status depends on actions in other sectors as well as in the health sector. The process has also proactively engaged local professional organizations and non-governmental organisations and international external agencies in decision making about priorities, strategies, and the overall content of the strategic plan.

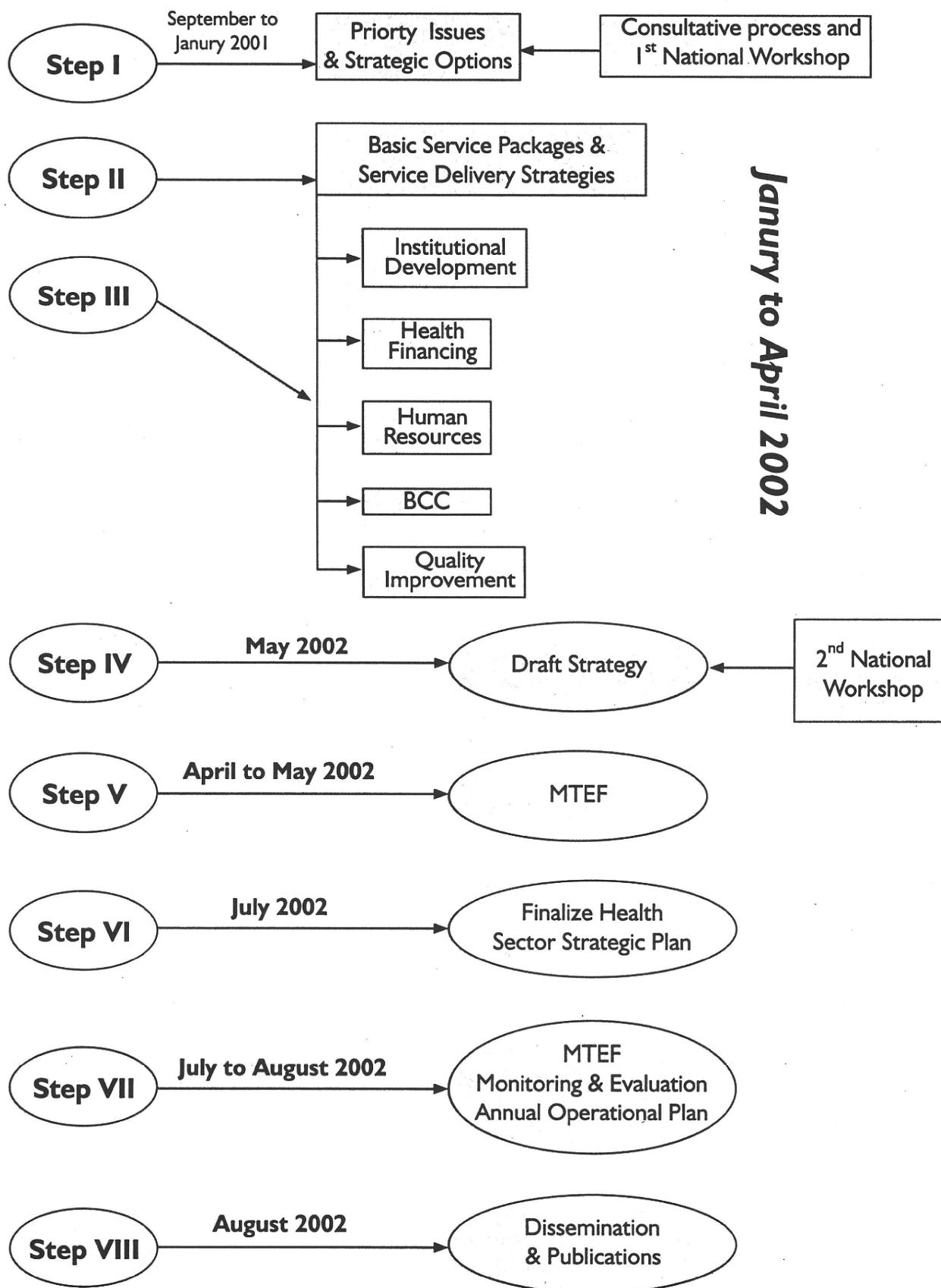
A number of formal and informal meetings have taken place at different levels of the health system. Within the existing structure and management system of the Ministry of Health one of the most useful forums to promote dialogue/debate, consultation, and clear understanding about the strategic plan as it evolved has been the monthly coordination committee (CoCom) at central level, and at provincial level, during meetings of the health management teams. Senior management in the ministry has also had a number of strategic 'think tank' meetings to discuss and make decisions about critical choices and other issues such as the mission statement, values, working principles, and policy statement.

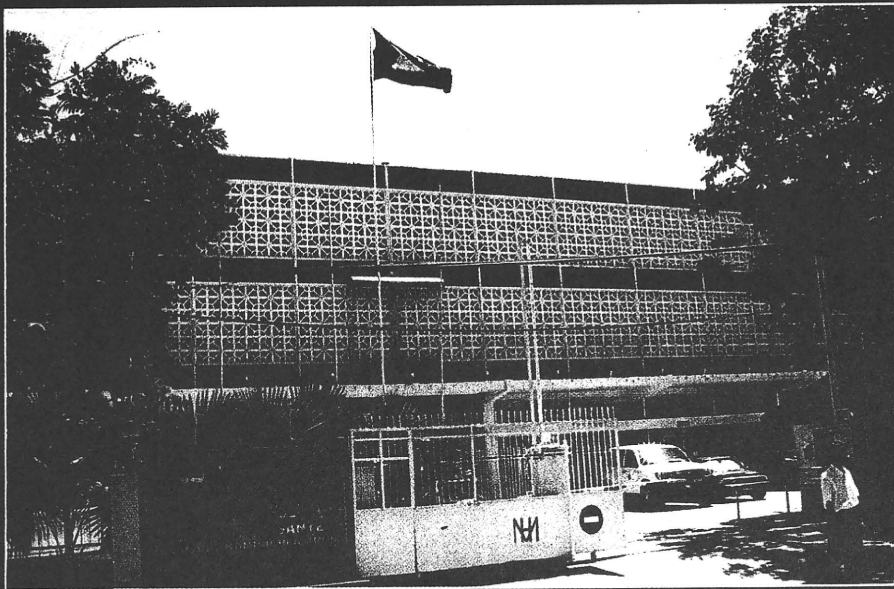
Meetings specifically organised to help with the development of the strategic plan included two national workshops. The main output from the first workshop, January 2002, was a list of priority health issues that fell into six topics. These subsequently became the priority areas of work in box 10, Chapter 3. A working group was formed for each of the six areas and between January and April 2002 each met to discuss and write a situational analysis and draft strategies. Members of the working groups came from different levels of the health system. The comparative advantage of different NGOs and donor partners was reviewed and some were nominated to work with the different working groups. The working groups presented their draft strategies at a second national workshop, May 2002.

After the workshop and for the rest of May a small group of five people refined the draft strategies and drafted the strategic plan. To facilitate this they wrote guidelines for drafting and developed a process to evaluate what they were writing. The first official draft of the strategic plan was reviewed towards the end of the month by a panel of reviewers and in senior management meetings, and then re-drafted as a result of feedback. The ownership factor was further reinforced in June when the draft strategic plan was circulated widely among ministry, government and national and international partners for comment.

The road map reflects the recognition that it is not enough to just produce a strategic plan. There is a danger that implementers in particular, read it, and then put it on a shelf and forget about it because no tools are available to help with implementation. So, while the strategic plan itself was being developed the ministry also worked on revising the planning manual, reviewing the planning-budgeting cycle, and producing three frameworks: a) for planning and expenditures; b) for monitoring and evaluation; and c) for annual operational plans. These are now respectively volumes 2, 3 and 4 of this strategic plan, which is volume 1.

Figure 5. Summary of the consultative process for the development of the Kingdom of Cambodia, Ministry of Health, Health Sector Strategic Plan 2003-2007





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MINISTRY OF HEALTH
Health Sector Strategic Plan
2003-2007

Medium Term Expenditure Framework

First Edition

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**KINGDOM OF CAMBODIA
MINISTRY OF HEALTH
HEALTH SECTOR STRATEGIC PLAN 2003-2007**

FOREWORD

I am very pleased to present this Strategic Plan for the further development of our country's health sector. Improving the health of the nation is at the heart of the policies of our Government. Although considerable progress has been made, as with the eradication of poliomyelitis, containment of HIV/AIDS and decrease in malaria, still too many women die in childbirth and our children go hungry and die from easily preventable diseases. Much more remains to be done in the years ahead.

This document provides the framework that will guide our efforts throughout the next five years. It reflects the values behind all that we do. In particular, we are determined that services should be equally available to all people, without discrimination by gender, age, ability to pay or place of residence. They must also especially focus on the needs of mothers and children as well as those of poor people. For them all, ill health can be a personal tragedy apart from being an economic burden that reinforces their impoverished circumstances.

To meet these ideals this plan includes strategies that will strengthen health services and improve outcomes. As a priority, we will target infant and maternal mortality rates with an aim to achieve significant improvements. The needs of deprived people in rural areas will receive special attention. We encourage the involvement of local communities in health affairs and intend to empower all people to take decisions based on informed choices. These proposals, together with many others in the plan, are all designed to improve the health of Cambodians and fulfill the Government's commitment, in 2002, to the ASEAN Nations ambitious Declaration on Healthy Lifestyles.

To bring about all the enhancements in clinical care and public health services we must also change and develop our support services. New ways of working must be brought in and greater emphasis be given to quality in all that we do. More efficient practices will be essential and systems and procedures must be revised. Seeking constant improvement must become our normal way of working. For all this we depend on the continued dedication of all our staff.

To make our ambitions possible, it will be essential to secure realistic funding. We are fortunate that this plan will be underpinned by support from many international partners, who are all committed to the same goals and outcomes. This strategic plan is the first step in moving towards sector wide management that weaves together all our efforts to improve health. This assistance, linked to our own Government's funding commitment will bring fruit to this plan. To all our donor partners and other external agencies, we are extremely grateful.

This Strategic Plan embodies our ambitions for a better and healthier future for all Cambodian people. I commend it most strongly.



H.E. Dr. Hong Sun Huot
Senior Minister and Minister of Health
Phnom Penh, August 2002

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The medium term expenditure framework is a joint product of key departments in the Ministry of Health and partners. The MTEF working group led by Dr Char Meng Chuor, Director, Department of Planning and Health Information worked hard and competently to produce this document in a timely manner. The various names are featured below:

MTEF Working Group

Dr Char Meng Chuor
Mr Chea Kim Long
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Mr Ros Chhun Eang
Mr Eourn Virek

We benefited greatly from the advice and guidance from our senior management team, particularly HE Dr Mam Bun Heng, HE Prof Eng Huot and HE Dr Te Kuy Seang.

We express our sincere thanks to Dr Youk Sambath, Core Group Team Leader and her team, who gave a lot of effort to support and assist us throughout the whole process.

We extend our appreciation to our counterparts at the Ministry of Economy and Finance, the Cambodian Council for Development and the Ministry of Planning for their advice and contributions of data.

The financial assistance from WHO and the steady support from our advisers Dr Aye Aye Thwin, Sector-wide Management Adviser and Mr Joe Martin, Health Budget Adviser were valuable to the MTEF preparation process. Additionally, we are grateful to our DfID short-term consultants, Dr Tim Ensor and Dr Stephanie Simmonds for their inputs into this document.

Last, but not the least, we highly appreciate the support and contribution from our external partners and their responsiveness to our requests for information. We hope this information presented in this document will be beneficial to both our mutual interests.



EXECUTIVE SUMMARY

This volume (2) of the health sector strategic plan 2003-2007 of the Ministry of Health is a framework for medium term expenditures. It is a tool to help move from the strategies and outcomes in the strategic plan (see chapter 1 and volume 1) to successful, effective and efficient implementation at all levels of the health system. It is closely linked to the monitoring and evaluation framework (volume 3) and to annual operational plans (volume 4). This edition, August 2002, will be updated as and when necessary.

For the first time in the finance work of the Ministry of Health we have the following principles on which work is implemented:

- **A comprehensive picture of sector wide funding**
- **Budgets linked to clearly defined strategic priorities to make a difference to the health of the people of Cambodia**
- **A financing and expenditure process that allows for greater transparency and accountability**
- **Linking medium term expenditure plans, operational plans and monitoring and evaluation**



MISSION STATEMENT OF THE MINISTRY OF HEALTH, KINGDOM OF CAMBODIA

The Mission of the Ministry of Health, Royal Government of Cambodia is commitment to ensure sector wide equitable, quality health care for all the people of Cambodia through targeting resources, especially to the poor and to areas in greatest need.

VALUES OF THE MINISTRY OF HEALTH

- Right to health
- Equity
- Pro-poor

WORKING PRINCIPLES OF THE MINISTRY OF HEALTH

- Social protection for vulnerable groups
- Listening to what people want
- Affordability and sustainability
- Focus on rural areas and the poor
- Capacity building including human resource development
- Sector wide management
- High quality evidence based interventions
- Good governance and accountability



POLICY STATEMENT 2003 - 2007

The policy statement of the Ministry of Health, Kingdom of Cambodia is based on the national health policy, which can be found in the booklet called 'Health Situation Analysis 1998 and Future Direction for Health Development 1999-2003'.

The following 13 elements that comprise the policy statement provide the basis for this strategic plan. The 20 strategies in the strategic plan flow from these elements.

Policy statement

- Implement sector wide management through a common vision and effective partnerships among all stakeholders
- Provision of basic health services to the people of Cambodia with the full involvement of the community
- Provision of affordable, essential specialised hospital services
- Decentralization and de-concentration of financial, planning and administrative functions within the health sector
- Priority emphasis on prevention and control of communicable and selected chronic and non-communicable diseases, on injury, the elderly, adolescents and vulnerable groups such as the poor, and on managing public health crises
- Priority emphasis on provision of good quality care to mother and child especially essential obstetric and paediatric care
- Active promotion of healthy lifestyles and health-seeking behaviour among the population
- Emphasis on quality, effective and efficient provision of health services by all health providers
- Optimisation of human resources through appropriate planning, management including deployment and capacity development within the health system
- Increase promotion of effective public and private partnerships for effective and efficient basic and specialist care
- Effective use of the health information for evidence-based planning, implementation, monitoring and evaluation in the health sector
- Implement health financing systems to promote equitable access to priority services especially by the poor
- Further development of appropriate health legislation to protect the health of providers and consumers



CHAPTER 1

THE CONTEXT

What is new in the health sector strategic plan?

For the first time we, in the Ministry of Health, Kingdom of Cambodia, have a sector wide strategic plan for all stakeholders. Sector wide and all stakeholders mean the private sector and partners as well as Ministry of Health employees and others. We would like everyone to work within the framework of this strategic plan and its desired outcomes. We call this approach sector wide management.

For the first time we have developed a mission statement, values and working principles, and a policy statement. We used them to guide our thinking during the process of determining the strategic plan and we hope everyone will use them when implementing the strategic plan.

For the first time six priority areas of work have been identified through a wide consultative process. The six areas must be given high emphasis if we are to achieve, and maintain, a good reduction in those mortality and morbidity rates that are causing us greatest concern.

For the first time while the control of communicable diseases through cost-effective public health interventions remains crucial we are also paying more attention to chronic diseases and to other emerging public health issues in an attempt to reduce the burden of potential problems in the future.

For the first time health outcomes are given for the whole sector not just on an ad hoc basis in some programmes.

For the first time we have developed a strategic plan that is linked to the planning-budgeting cycle of the ministry and to a medium term expenditure framework. This will guide the use of resources during implementation.

The vision of the strategic plan is to really make a difference, for the better, to the health of the people of Cambodia.

The strategic plan provides the direction and scope of the health sector over the next 5 years. The government's intention is that it is used to focus and guide the actions of the Ministry of Health and all stakeholders so that everyone works towards making a difference, to meeting the government's planned outcomes.

Goal, outcomes, and strategies

The overall goal of the strategic plan is to:

Enhance health sector development in order to improve the health of the people of Cambodia, especially mothers and children, thereby contributing to poverty alleviation and socio-economic development.

The outcomes we expect from effective and efficient achievement of the goal are:

- Reduced infant mortality rate
- Reduced child mortality rate
- Reduced maternal mortality ratio
- Improved nutritional status among children and women
- Reduced total fertility rate
- Reduced household health expenditure, especially among the poor
- More effective and efficient health system

To get these results the government will, during the period 2003-2007, give priority to the six areas of work in box 1.

Box 1. Six priority areas of work

- Health service delivery
- Behavioural change
- Quality improvement
- Human resource development
- Health financing
- Institutional development

Strategies

To make significant progress towards the achievement of its mission and policy, Ministry of Health has adopted 20 strategies, these are intended to be the focus for action by the Ministry and all health sector partners over the next 5 years. All the strategies are important but 8 of them form the essential core. The core 8 strategies in the 6 priority areas of work are:

Health service delivery

- Further improve coverage and access to health services especially for the poor and other vulnerable groups through planning the location of health facilities.
- Strengthen the delivery of quality basic health services through health centers based upon minimum package of activities.
- Strengthen the delivery of quality care, especially for obstetric and paediatric care, in all hospitals through measures such as the complementary package of activities.

Behavioural change

- Change for the better the attitudes of health providers sector wide to become more responsive to consumer needs especially of the poor through sensitisation and building interpersonal skills.

Quality improvement

- Introduce and develop a culture of quality in public health, service delivery and their management through the use of Ministry of Health quality standards.

Human resource development

- Increase the number of midwives through basic training and strengthen the capacity and skills of midwives already trained through continuing education.

Health financing

- Ensure regular and adequate flow of funds to the health sector especially for service delivery through advocacy to increase resources and strengthening financial management

Institutional development

- Organizational and management reform of structures, systems and procedures in the Ministry of Health to respond effectively to change.



The other 12 strategies are as follows:

Health service delivery

- Strengthen the management of cost-effective interventions to control communicable diseases.
- Strengthen the management and coverage of support services such as laboratory, blood safety, referral, pharmaceuticals, equipment and other medical supplies and maintenance of facilities and transport.

Behavioural change

- Empower consumers, especially women, to interact with other stakeholders in the development of quality health services through mass media and inter-personal communication.
- Promote healthy lifestyles and appropriate health seeking behaviour through advocating for healthy environments, counselling, and implementing behavioural change activities.

Quality improvement

- Develop and implement minimum and optimum quality standards for the public and private sectors incorporating pro-poor and gender issues through the use of appropriate tools.

Human resource development

- of workforce through identification of posts and the reallocation of staff.
- Enhance the management and technical skills and competence of all Ministry of Health workforce through quality, comprehensive training and education and retention and support measures.

Health financing

- Allocate financial resources to improve the accessibility of health services for the poor through alternative health financing schemes.
- Ensure transparent, efficient and effective health expenditures through strengthening resource allocation, coordination of different sources of funding, and monitoring.

Institutional development

- Effective public private partnership to improve accessibility, quality and affordability through the promotion of private sector participation and enforcement of regulations.
- Enhance Ministry of Health capacity to address chronic diseases and emerging public health problems through raising awareness and developing comprehensive plans.
- Further develop the health sector to strengthen management effectiveness throughout the health service by:
 - a) Enhancing management and leadership culture sector-wide
 - b) Increasing effective decentralization and deconcentration
 - c) Institutionalising sector wide management

Inter-ministerial links

The health sector strategic plan highlights the importance of working closely with other ministries. As with volumes 3 and 4, of particular relevance for this framework is the need to coordinate with the Ministry of Economy and Finance and the Ministry of Planning.

CHAPTER 2

THE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

What is an MTEF?

An MTEF is a multi-year (5 years) public expenditure plan based on sectoral financing needs and projections for the total resource envelope available from domestic and external resources. As an information tool it serves to programme all resources and expenditures together and helps in making resource allocation decisions on priorities.

The MTEF in Cambodia

An MTEF in Cambodia is established for the first time in 2002 for the period 2003-2007. The process is being piloted for four ministries, health, education, rural development and agriculture and is anticipated to integrate with the public investment programme (PIP).

The intention is to enable medium term allocations for increased public spending based on forecasts of financing needs for the social sector. In this regard, each line ministry is required to provide indicative forward projections by programme area, broad line item (salary, non-salary and capital) and sources of funds.

Objectives for establishing an MTEF

The objectives of developing an MTEF are to:

- Fulfil government requirements in projecting resource needs for a sector
- Produce a financial plan for the priorities in the sector strategic plan
- Link budgetary allocations for investment and operational costs with medium term development plans
- Enable government and partners to jointly make resource allocation decisions for better efficiency by reducing shortfalls and duplications

The main components of the MTEF process

Establish a fiscal framework based on macro-economic projections and forecast revenue collection	Ministry of Finance
Establish (soft) sector limits Ministry of Health, external partners	Ministry of Finance,
Develop budget estimates based on a limited number of programme categories or line items	Ministry of Health
Negotiation process to establish hard sector limits based on updates on fiscal data and relative strength of budget proposals	Ministry of Finance, Ministry of Health, external partners.

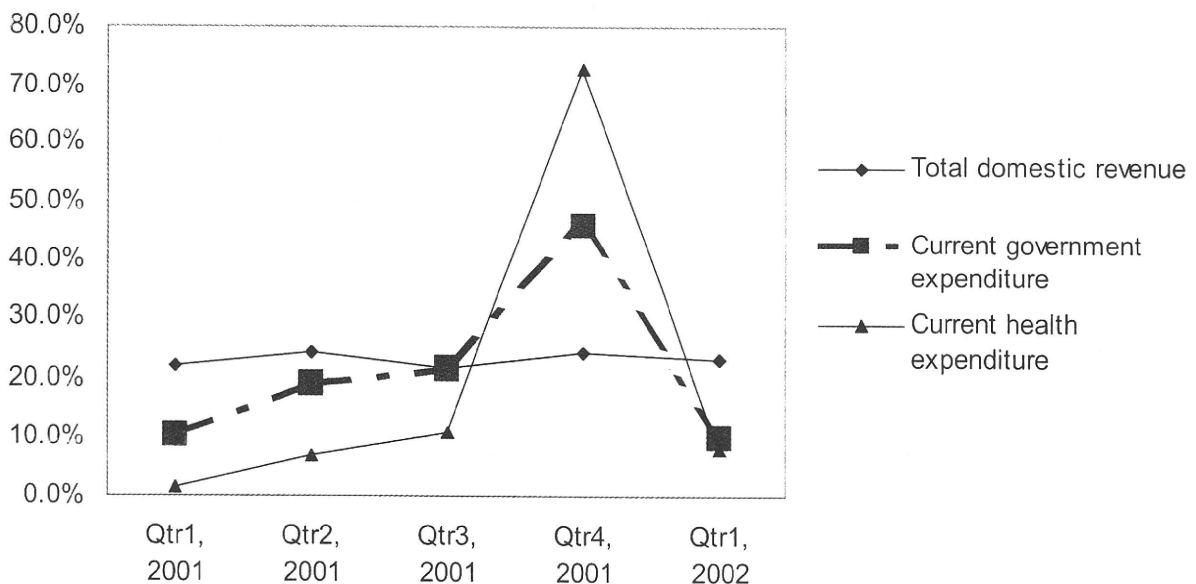


Risks and constraints to implementing the MTEF

The government-wide budget preparation calendar has been a constraint to MTEF development in 2002 as information on the government budget envelope and the fiscal projections were not available in time. Therefore, figures presented in this edition will be updated in early 2003 when data on government and donor financing becomes firmer.

As regards to risks, one of the most fundamental problems has been the release of funds. Figure 1 shows the proportion of government expenditures, total and for the Ministry of Health, together with revenue collections over the last five quarters as a proportion of total budget. As in previous years, expenditure is concentrated into the last quarter of the year while only 1.5 percent of the budget for health was spent in the first quarter. The situation for the first quarter of 2002 appears to have slightly improved but release of cash still remains low.

Figure 1. Total revenues and health expenditure release against total budget (2001 and 1st quarter 2002)



Source: 2001 MOH expenditure book and 2002 financial reports

Other potential risks to effective implementation of the MTEF are:

- Affordability - whether the national budget projections are based on a realistic macroeconomic framework, whether there is sufficient input against needs from external sources and whether objectives and priority areas are realistically defined
- Accountability - whether the responsibility for developing, implementing and monitoring plans are clearly designated among stakeholders
- Transparency - the degree to how useful and clear is the budget classification system; to what extent is non-financial programme performance measured?
- Comprehensiveness - does the MTEF capture extra budgetary funds? Is there consistency between national and external financing?

Many of the risks to successful implementation of the MTEF are outside the direct control of the Ministry of Health. They rely on broader fiscal reforms and wider attempts to reform the planning process within the health sector. Regular releases of cash are a pre-requisite for meeting the targets of both the MTEF plan and also non-financial targets of achievement set by the health sector. Other constraints concern inadequate coordination of external financing and the lack of information regarding donor expenditures that leads to difficulty in making strategic decisions.

