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# **What Government Needs to Consider in the **FY2025/26****

## **Health Sector Budget for Children**

**CSO POSITION PAPER**

December 2024

## **1.0 Acknowledgement.**

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## **1.1 About the position paper.**

This paper highlights civil society insights and recommendations on key child sensitive sector issues from the recent national budgets for FY2023/24 and FY2024/25. More specifically it focuses on the health sector and points out what needs to be considered by the relevant Government Ministries, departments and Agencies for children in the upcoming planning and budgeting process for FY2025/26.

## **1.2 Investment in health and nutrition.**

The government has worked closely with development partners to invest in health and nutrition. The 2022/23 Uganda demographic and health survey revealed substantial improvements in key maternal and child health indicators, such as the share of deliveries at health facilities and the reduction in the maternal mortality rate. Nevertheless, most health indicators are still below national, regional and global targets. As the population continues to grow, achieving universal health coverage and meeting the health-related SDGs will require sustained improvements in the efficiency, equity, and effectiveness of health spending, along with a substantial increase both in overall funding for the health sector and in the share of funding provided by the government.

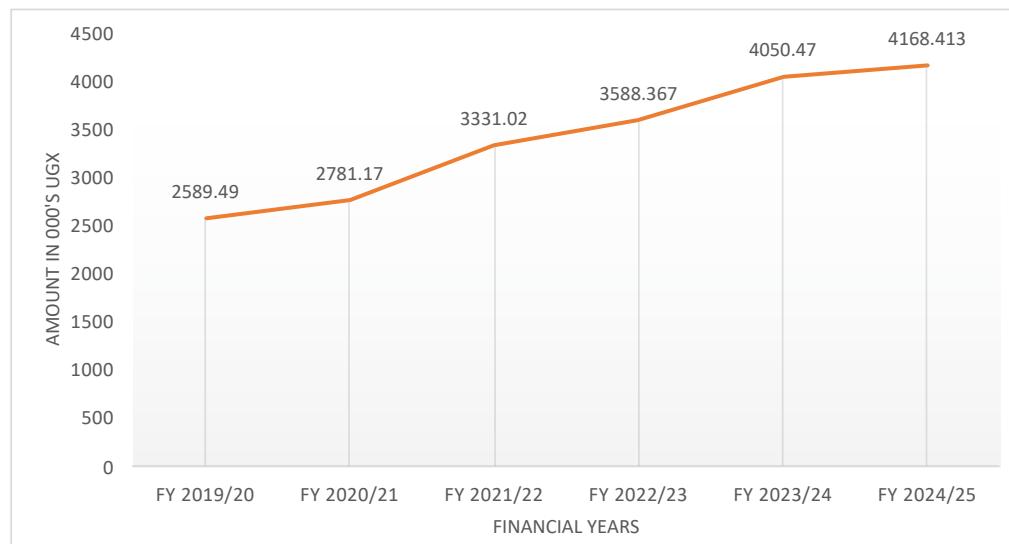
## **1.3 National Health Budget Allocations.**

Spending on health has been increasing steadily, in both nominal and real terms. Despite this, the increase has not been fast enough to match the increase in total budget, resulting in the country continuing to miss the target against international spending benchmarks. The proportion of the health sector budget to total approved national budget has been increasing, nearly doubling from 4.8 percent in 2017/18 to 7.7 percent in 2022/23. The proportion begun to flatten in 2023/24 where the approved budget remained at 7.7 percent which is far below the Abuja declaration of 15 percent spending on health.

Concerningly, the largest portion of the health development budget has continued to be financed from external sources. Currently, 83% of the health development budget is financed by development partners, which places the country's health development projects in a very concerning situation since donor

funding may be unsustainable in the medium and long-run. The emerging threats to humanitarian funding poses a greater challenge and need for local sustainable solutions to funding of the health sector.

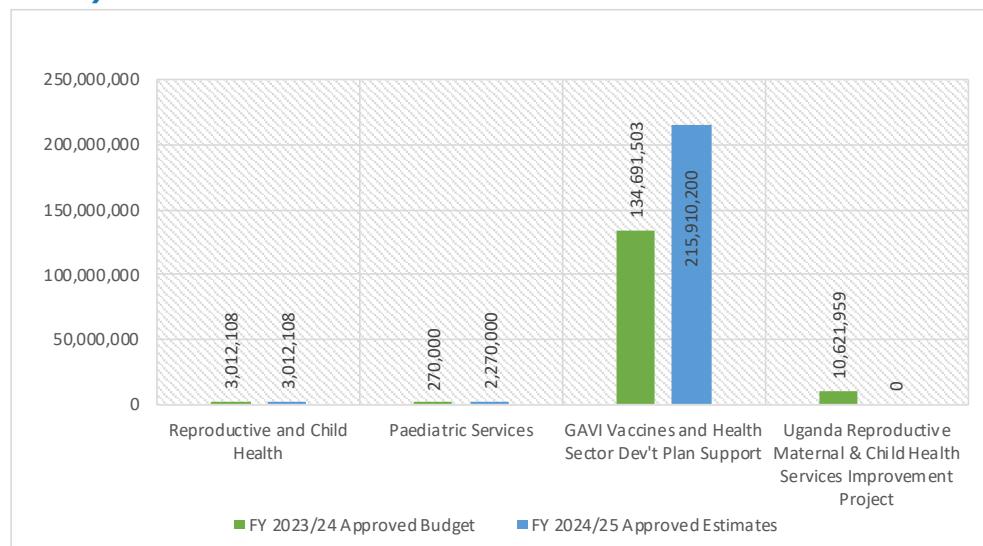
**Figure 1: Trends in allocations to the national health budget from FY2019/20 to FY2023/24.**



**Data source: Approved budget estimates**

As part of its initiative to promote child health, the government of Uganda has been implementing several programs that directly benefit children. Some of these programs include the Reproductive and Child Health, Uganda Reproductive Maternal & Child Health Services Improvement Project (URMCHIP) and GAVI among others. However, most of these programs are largely financed by Development partners, whose financing is very un-predictable and unsustainable in the long run. An example is the recent US stop work orders that has led to suspension of health interventions that we relying on USAID funding

**Figure 2: Allocations to Key Child Health Programs in Uganda, (000's UGX)**



**Data source: Approved Estimates of Revenue and Expenditure, Central Govt votes**

## 1.4 Achievements in the health sub-sector

Civil Society members commend the government for its achievements in strengthening health service delivery. According to the 2022 Uganda Demographic Health Survey, the country has made significant strides in improving maternal health, with the maternal mortality ratio reducing from 336 in 2016 to 189 per 100,000 live births in 2022.

The number of deliveries in health facilities has increased from 57% in 2011 to an impressive 91% in 2022. Equally promising is the reduction in under-5 mortality from 90 per 1,000 live births in 2011 to a remarkable 52 per 1,000 live births, drawing us closer to Uganda's set target of 30/1000.

Infant mortality rates have also declined from 54/1000 live births to 36/1000. The total fertility rate has also reduced from 5.4 in 2016 to 5.2 in 2022.

Furthermore, Uganda has bolstered the healthcare workforce, with the number of health workers (doctors, midwives, and nurses) per 10,000 Ugandans increasing from 22.5 in 2021/2022 to 25.8/10,000 in 2022/23.

## 1.5 Key CSO Issues for consideration in the FY2025/26 Budget

### 1.5.1 Insufficient funding for Primary Health Care and community systems

Primary health care is the cornerstone for universal health coverage and contributes towards greater equity. Delivery of essential health and nutrition interventions at the community level is essential to achieve the goal of ending preventable deaths of newborns and children under age five. Strong PHC systems can mitigate the impact of public health emergencies on children and their families. The second budget call circular for FY2025/26 indicates that the PHC budget is projected to decline from UGX1.124 trillion in FY2024/25 to UGX1.059 trillion in FY2025/26. Similarly, the development budget is projected to decline on account of the directive not to budget for facility upgrades (UGIFT) and USMID.

### Recommendation.

- There is a need for the Government to prioritize spending on primary healthcare, healthy promotion and disease prevention to reduce the risks and cost of curative care and to decongest hospitals and other referral facilities..

### 1.5.2 Limited number of skilled health providers

The number of skilled health providers in Uganda is critically low, and their distribution is skewed across sub-regions. For instance, the Kigezi, Bugisu, and Kampala sub-regions have significantly more skilled health providers per capita than the rest of the country. These differences are due in part to the

number, type, and size of health facilities in these sub-regions, as well as their socio-economic characteristics. In 2022, Kampala had 13.6 skilled health providers per 10,000 people, more than twice the national average of 5.9, while no sub-region came close to reaching the target level of 23. Furthermore, Uganda is far from the SDG target of 44.5 doctors, nurses, and midwives per 10,000 people, underscoring the urgent need to invest in staff training, recruitment, and retention.

## **Recommendation**

- The government needs to provide additional resources to enhance the training of health workers by streamlining in-service training, mentorship, supervision, and accreditation of health workers, training institutions and health facilities.

### ***1.5.3 Insufficient supplies of medicines and health supplies***

In FY2019/20 and FY2020/21, only 46 percent of health facilities had more than 95 percent of the tracer medicines and commodities, and in 2022 only 49 percent of health facilities had all essential medicines available. A government study on the extent and cost of corruption in the health sector revealed that the theft of medicines is rampant at public health facilities. The procurement system at the National Medical Stores (NMS) is not linked to the Integrated Financial Management Information System (IFMIS). As a result, contracts for medicines and medical supplies are signed and managed outside the IFMIS, and each contract must be checked manually to ensure consistency with budget allocations, which could lead to financial mismanagement.

## **Recommendation**

- There is a need for the government to strengthen the procurement and distribution system for medicines and patient management information systems, including the online requisition system at the NMS, and provide sufficient time for local authorities to verify deliveries from the NMS.

### ***1.5.4 Limited provision of Adolescent and Youth health services***

According to the Uganda Demographic Health Survey, 2022 teenage pregnancy among young people continues to stagnate at 24%. The MoH, through health facilities across the country, continued with the provision of free adolescent and youth-friendly services that are tailored to their needs. The Ministry of Health (MoH) is dedicated to ensuring that adolescents and young people are given the information and services they need to remain healthy by all stakeholders at all levels. The government commits to reducing the adolescent fertility rate (birth rate per 1,000 adolescent women aged 10-14, 14-19 years) to 100 in 2024/25 FY. Under the National Budget Framework Paper FY 2024/25, the government

commits to “improve adolescent health services and fast-track the approval and implementation of the Adolescent Health Policy.” Access to adolescent services continues to be a challenge because of budgetary constraints for the functionalisation of safe spaces in health facilities.

## **Recommendation**

- The government through the Ministry of Health, needs to boost investment in the creation and functionalization of the youth friendly spaces in public health facilities, with an emphasis on access to information and services.

### ***1.5.5 Limited funding for Sustainable Medical Oxygen for neonatal and child health.***

Oxygen plays a pivotal role in addressing neonatal, infant, child, and maternal health by supporting critical functions such as respiratory support in cases of birth asphyxia, pneumonia, respiratory distress syndrome and other respiratory complications. It is vital for stabilizing patients with severe infections, managing obstetric emergencies, and ensuring the survival of premature and low-birth-weight infants who are at high risk of respiratory distress.

Furthermore, various studies have shown that childhood pneumonia is the leading cause of mortality globally, and oxygen is a vital component in supportive care. In Uganda, 1/3 of all admissions require oxygen therapy. The neonatal and Paediatric units are amongst the greatest consumers of oxygen in hospital settings and contribute to the longest average time on oxygen therapy in hospital settings. Despite its importance, the availability of medical oxygen in Uganda's public health institutions is severely constrained due to unsustainable funding for the purchase, maintenance, and distribution of oxygen delivery equipment at the regional level. These funding challenges contribute to poor oxygen availability, exacerbating health outcomes for mothers, newborns, and children, and undermining efforts to reduce maternal and child mortality. In addressing these challenges, Uganda can significantly improve the quality of care provided to neonates, infants, children, and mothers,-ultimately reducing preventable deaths and enhancing overall health outcomes in the country.

## **Recommendations**

- There is a need for the government to provide a robust framework for the sustainable financing, coordination, and governance of medical oxygen. This framework should include provisions for adequate budget allocations, investment in oxygen infrastructure, and mechanisms for ongoing maintenance and equipment replacement to ensure consistent oxygen supply in all health facilities.
- Amidst all the challenges and gaps, the government should invest in the

critical drivers of improvement in Oxygen delivery and support a regional approach to improve the oxygen ecosystem.

#### **1.5.6 Prevalence of malnutrition in communities**

Malnutrition has critical impact on a child's ability to develop, learn, work, immunity and capacity to fulfil their economic and social potential. Malnutrition shortens life expectancy, dramatically increases the likelihood of contracting a multitude of non-communicable and communicable diseases, and is a contributory factor in 45 percent of all child deaths under the age of 5. Children suffering the effects of malnutrition are less likely to work effectively and, thus, more likely to be locked into poverty, further entrenching inequity. They are also likely to drop out of education earlier, get married younger and have children before they have finished developing physically. Investment in nutrition does not just help avert chronic and acute malnutrition but is also fundamental to a child's overall life chances and outcomes. For example, educationally, malnutrition reduces a child's capacity to learn: a stunted student is 19 percent less likely to be able to read a simple sentence at age 8, and 13 percent less likely to be in the appropriate grade for their age. Despite all this, there are no clear legal and policy framework including guidelines for nutrition coordination at local and lower local governments.

#### **Recommendation**

- Parliament needs to direct the Ministry of Local Government to include an intervention and a budget for developing guidelines for local Governments to coordinate nutrition activities in their jurisdictions.
- Parliament is urged to fast-track the passing of the Food and Nutrition Bill so that the country can have a law that provides for a structured mechanism and system that ensures food and nutrition security for all

#### **1.6 Conclusion**

The disruptions of health and nutrition services have a detrimental impact on children's right to health education and survival, with most impacted by inequalities and discrimination. With an annual growth rate of 3 percent, Uganda's population is expected to reach 71.5 million by 2040. The total fertility rate is high at 5.2 children per woman, and the adolescent fertility rate is 108 births per 1000 women aged 15-19. Therefore, significant investments in the FY2025/26 health sector budget are vital for Uganda to achieve a demographic dividend.