



**Independent
Commission
for Aid Impact**

ICAI Follow up: DFID's Support to the Health Sector in Zimbabwe

1. Our report assessed how well DFID had spent over £100 million of UK aid on the health sector in Zimbabwe between 2004 and our report in 2011. We concluded that DFID's support had had a substantial and positive impact, most notably for those living with HIV/AIDS. Value for money had been good in most of the programme but the underlying health system was still failing.
2. Since 2009, DFID has begun to lay tentative foundations for longer-term recovery of a once highly effective public health service. We concluded that DFID needed to support the strengthening of capacity within the Zimbabwe Ministry of Health as part of this transition, so that it could manage the health system by itself, which was similarly noted by the International Development Committee. The key vehicle for responding to our recommendation has been the new Health Transition Fund, a multi-donor fund working with the Ministry of Health to improve maternal and child health by strengthening health systems and scaling up effective interventions. This has facilitated joint discussions on health policy and financing and two technical support advisors have been provided to the Ministry of Health.
3. We found that a key problem for maternal health was the rise in user fees. The Ministry of Health has now instructed the removal of user fees for the elderly, pregnant and lactating women and children under 5, starting with clinics in rural areas. The costs are mainly being covered through donors, notably DFID, through the Health Transition Fund (managed by UNICEF) and the Health Results Innovation Trust Fund mechanism (managed by the World Bank). While it is difficult to assess the exact role that DFID and the Health Transition Fund played in this decision, the fund had advocated action on this issue with the ministry.
4. There is scope for DFID to respond more fully to two of our recommendations. First, DFID has implemented a value for money strategy and recruited a governance advisor in order to address our concerns around falling value for money if funding is scaled up. It has started but not yet completed an analysis of the health sector's capacity to absorb additional funding and the implications for value for money. Second, DFID has not responded as well as it could to our recommendation to ensure comprehensive reporting across delivery chains. DFID's activities to collect value for money data and encourage community accountability are important and DFID has recently signed a large health contract in which quarterly payments are linked to delivery of key results. This type of activity could be used more systematically to track and link funds to measurable impacts, both at implementing partner and sub-grantee levels.
5. Our final recommendation focussed on DFID taking the lead amongst donors to agree a common definition of administrative costs and then apply that definition. In responding, DFID has taken steps to begin a dialogue with

other donors; the key challenges will be how to engage other donors effectively and how to compare administrative costs across very different projects. More widely, we applaud DFID's achievement of reductions in the administration charges of some implementing partners. DFID told us that this has led to UK aid reaching an additional 170,000 people.

6. Overall, while there is still more to be done, we are pleased that DFID Zimbabwe has taken a good range of measures to address concerns we raised in our report. We will follow developments with interest, including results from the new Health Transition Fund.