


*Managing COVID-19 in Africa:  
public finance responses*

30 April 2020

Location: Lockdown

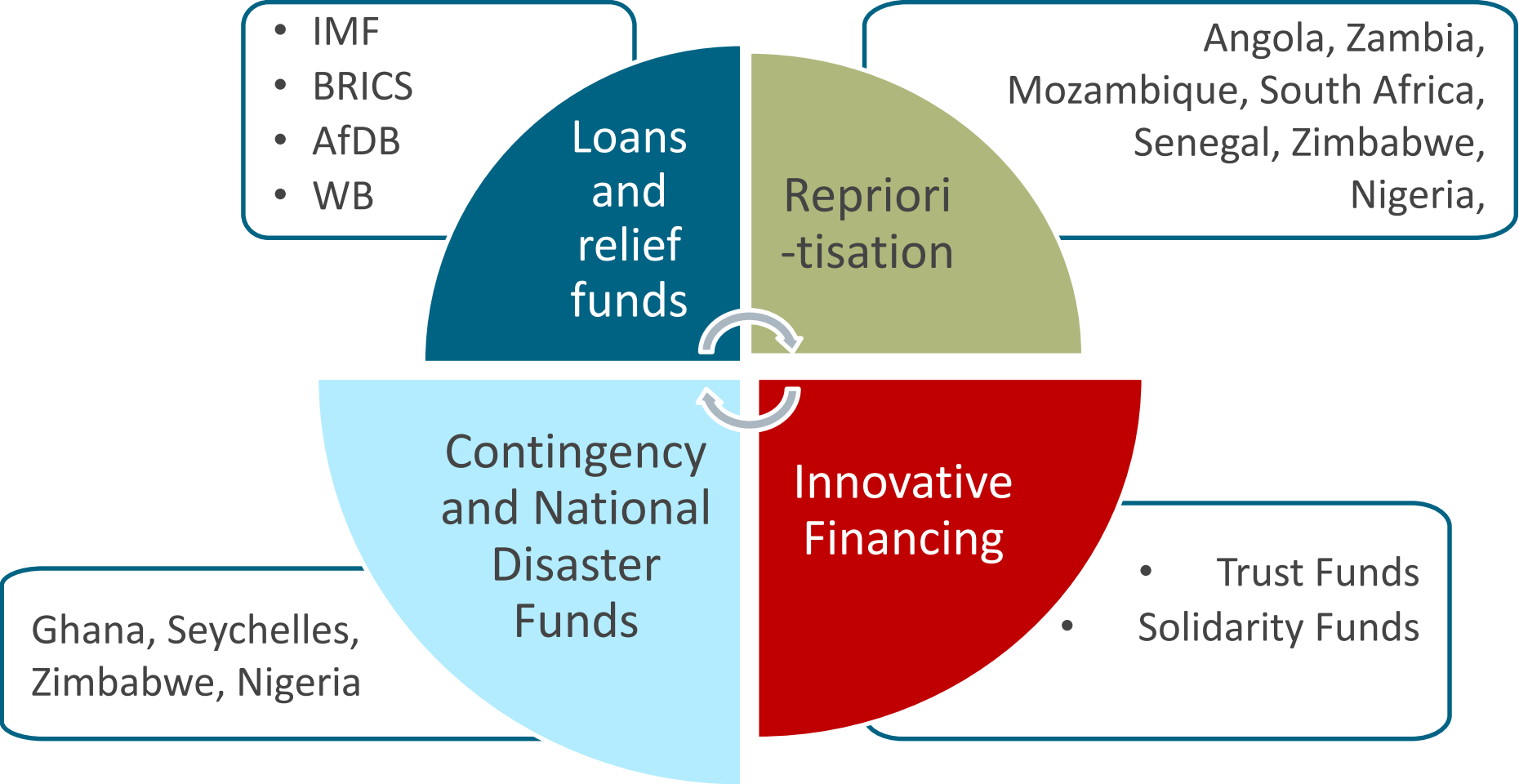


*“The immediate priority will be to ensure that LMIC governments have the hard currency they need for the scaled-up health response, essential imports, and cash transfers to those unable to work, supplemented by other mechanisms for families these cannot reach.”*

Masood Ahmed, DEVEX

*“Spend what you can to fight COVID-19, IMF tells Member States”*

# Fiscal space and more



## Finding the fiscal space

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<b>Angola</b>	30% of goods and services cut	CAPEX suspended	USD40 million additional health spending
<b>Mozambique</b>	USD30 million additional health spending		
<b>Gambia</b>	Reallocated USD9.8 million to health spending		
<b>Senegal</b>	Budget cuts on operating expenditure	Deferred investments	USD107 million allocated to cover COVID-19 expenditure
<b>Zimbabwe</b>	Most of capital budget redirected to COVID-19 expenditure		

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# COVID-19 Public Finance Response Monitor

## Ghana

**Confirmed cases** 1550

**Confirmed deaths** 11

**Regulatory response and containment strategy** On 30 March, a two-week partial lockdown in the two major metropolitan areas of Accra and Kumasi was imposed. On 20 April, the lockdown was lifted.

**COVID-19: expected financing requirement** The initial cost of programmes and activities under the COVID-19 Preparedness and Response Plan is about GH¢572 million (USD 100 million).

**Official COVID-19 links** <https://ghanahealthservice.org/covid19/>

🔍 Health financing: a proxy of pandemic preparedness

🔍 Finding fiscal space beyond the fiscal framework

🔍 **Finding fiscal space within the fiscal framework**

**Efficiency measures: strategic healthcare purchasing and improved PFM processes and practices**

As Covid-19 began to cause global disruptions in drug supply chains, subsequently threatening the supply of important medicine in Ghana, in mid-March mPharma launched a price control programme called 'Mutti Keep My Price'. The initiative allows patients in need of chronic disease medication to continue paying the same price for their prescriptions for up to six months, regardless of market prices.

The Ministry of Health paid GH¢300 million to NHIA on Friday 27th March 2020 as part of measures to provide liquidity to Health Care providers and the pharmaceutical industry. In addition, the Government arranged Life and Sickness Insurance for healthcare professionals on the front line of the pandemic.

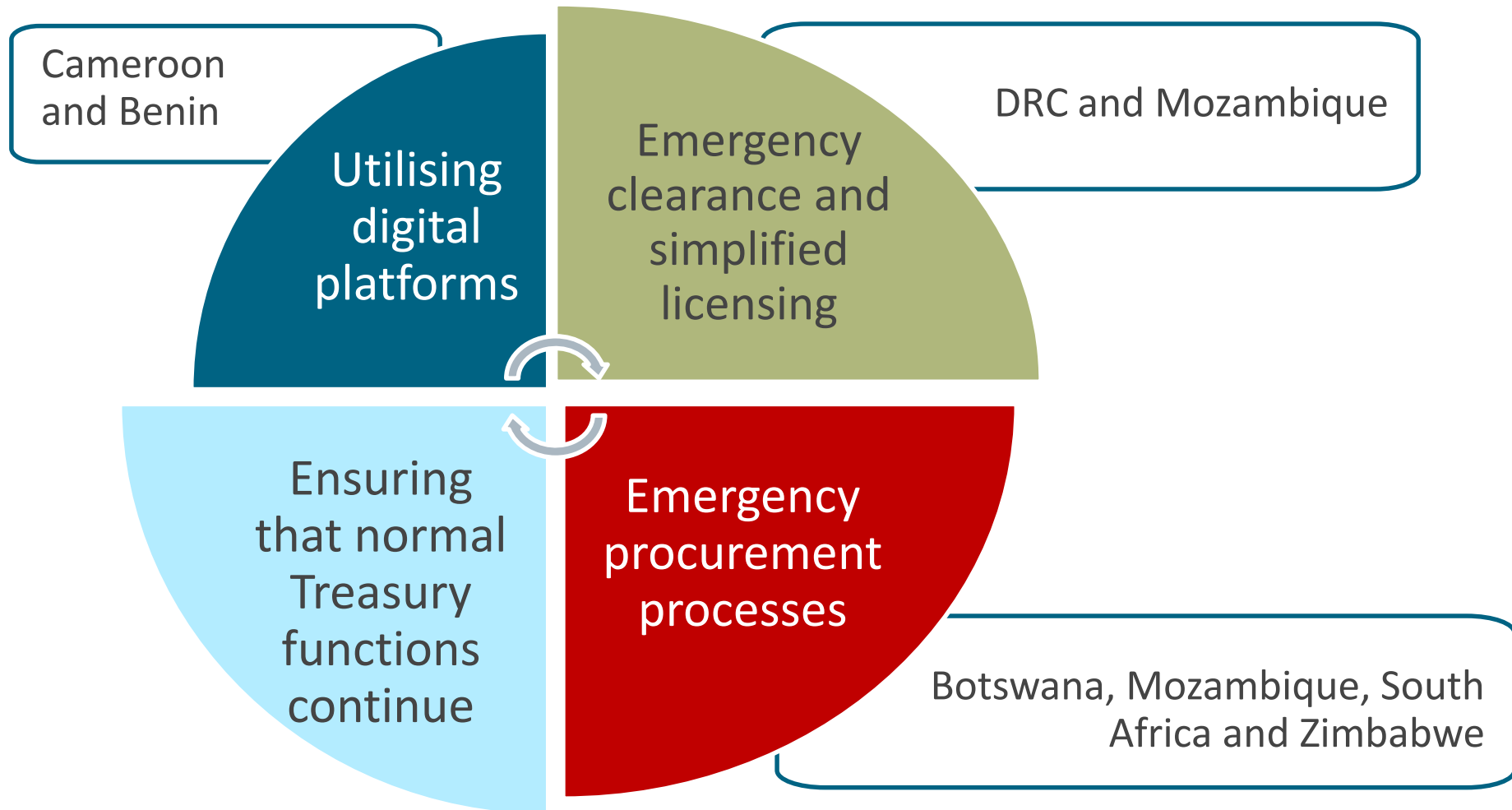
**Budget adjustments**

The projected shortfall in Annual Budget Funding Amount (ABFA) is GH¢3,526 million; while shortfalls in the Ghana Stabilisation Fund and the Ghana Heritage Fund are GH¢1,058 million and GH¢453 million, respectively. Projected shortfalls in transfers to GNPC is GH¢642million.

<https://www.cabri-sbo.org/en/pages/covid-19-public-finance-monitor>

- Measures governments are taking to healthcare financing
- Extent of reprioritization
- Measures to accelerate procurement and release of funds
- Ensuring the most economic purchases
- Mobilising resources, and
- Strategic healthcare purchases

# Accelerating procurement and streamlining procedures



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**Mozambique**

Exemption from customs duties and misc. taxes on imports of medicines and reagents and COVID-19 materials

**South Africa**

Under PFMA & MFMA finance minister issued a conditional Exemption Notice. Ensure efficient service delivery and eliminate delays.

Introduce measures to ensure that normal treasury functions, such as Single Treasury Account, Integrated Financial Management System, Payroll Management and Establishment Control continue uninterrupted

Many officials working remotely

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# Limiting price scourges

Angola, Burkina Faso,  
Comoros, Cote  
d'Ivoire, DRC,  
Mozambique, Niger,  
Nigeria, Sudan,  
Zimbabwe

Reduction /  
exemption of  
duties on imports  
of medicines and  
medical  
equipment

Subsidizing  
medicines and  
PPE

Benin

Regulating  
prices

Angola, Ghana, Mozambique,  
South Africa





# What is strategic healthcare purchasing?

- Linking funds to providers to **performance or health needs** of their constituency.
- Governments actively considering and making transparent decisions about:
  - WHAT must be purchased?
  - WHO will provide the services to patients?
  - HOW will services and medicines be purchased and financed?
- Enhances **equity, quality and efficiency**, freeing up resources – critical during pandemic.



## Strategic healthcare purchasing: regional initiatives

- SADC: National Emergency Operations Centres and Pooled Procurement Services
- The Africa Centre for Disease Control and Prevention (Africa CDC): COVID-19 test kits



# Thank you

## And please:

- Stay in doors
- Wash hands
- Keep your distance
- Keep safe