

Contracting Health Services In Afghanistan: Can the twin objectives of equity and efficiency really be reached?

- **Organisation:**
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- **Partners:**
HealthNet International
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Afghanistan, Cambodia and other countries emerging from conflict

Background and Objectives of the Research

The main purpose of the study is to produce evidence as to the effect and the underlying assumptions of the newly proposed health policy in Afghanistan, which focuses on the delivery of a basic package of health services to the rural poor through contracting out health services to NGOs. The study aims to contribute to better informed decision making around the role of health in poverty reduction strategies. The project's primary concern focuses on equitable access to social services, and in particular how mechanisms can be developed to ensure that budget support is transferred into more equitable access to health services. Second, the proposed mechanism of contracting out health services requires a relatively strong regulatory and enforcement capacity within the government. The study has examined the feasibility of building this capacity under the given circumstances, and so is concerned with the EC-PREP's themes of institutional capacity and good governance.

Within a context of chronic inefficiencies and inequities in the public provision of healthcare in many developing countries, new ideas encompassing public sector management focuses more attention on the use of contracts between funders and providers to deliver segments of health services. An example is the model of Performance-based Partnership Agreements (PPAs), which is currently being implemented in Afghanistan on a relatively large scale. Theoretical advantages have

been formulated, but the available evidence is still scarce and largely outside the public domain.

The study critically assesses the underlying assumptions that went into the contracting-out process, describes and analyses policy development in Afghanistan within its specific post-conflict context and looks at initial implementation in 6 prospective qualitative case studies, in 6 different provinces.

Research Findings

- Contracting non-state providers to deliver a basic package of health services has been a successful strategy to date in post-conflict Afghanistan.
- Establishment of a basic package of health services has shaped sector priorities and influenced allocation of resources towards primary healthcare.
- The concept of contracting and a purchaser provider split has not been fully understood by all stakeholders.
- Early alignment of donor engagement strategies has been beneficial.
- Proactive involvement of the Ministry of Public Health in procurement processes has increased government capacity and facilitated government-donor relations.
- NGOs have responded well to market forces and performance-based mechanisms. Performance-based approaches seem to affect the way NGOs behave and motivate them to find new ways of doing things in order to achieve targets.

In cooperation with



- Provision of technical assistance and establishment of systems to monitor progress are valuable in supporting implementing partners to achieve maximum impact towards indicators.
 - Alignment and harmonization need to be placed on the policy agenda early and pursued enthusiastically so that decisions made and approaches adopted may pave the way towards unified systems. Establishment of a common framework seems to be a crucial component for jumpstarting alignment, paving the way to reconstruction of a coherent health system.
 - The EC can and should introduce performance-based measures earlier than has been the case in Afghanistan.
 - In the context of Afghanistan a number of key areas could be improved and/or changed which would allow the EC to better capitalize on their investments in the health sector through a contracting model.
 - Adaptation of EC procurement guidelines and procedures to better reflect the nature of a contracting approach would increase effectiveness and allow the EC to exploit the benefits of a contracting approach.
- Policy Recommendations**
- Contracting has been a tool for early engagement in the health sector and is a model that should be considered for other fragile states and for low income countries in general.
 - Similar emphasis should be placed on setting priorities in other fragile states with a strong lobby for primary health care in the initial stages of policy discussions and decisions regarding resource allocation.
 - Communication strategies around contracting need more attention.
 - NGOs should be better prepared to respond to new strategies in post-conflict environments.

For further information on this research project, please visit:

EC-PREP website: www.ec-prep.org

University of Sussex website: www.lshtm.ac.uk

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