

# Performance-Based Health Basket Fund



**Project full name:**  
Performance-Based Health Basket Fund (HBF)

**Domain:**  
Health

**Phase VII:**  
2015 - 2019

**Total budget:**  
CHF 20'000'000

**Location:**  
National

**Main partners:**

- Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGE&C)
- President's Office - Regional Administration and Local Government (PO-RALG)
- Ministry of Finance and Planning

**For more information:**

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## Project Overview

The Health Basket Fund was created in 1999 as a pooling mechanism of donor resources to support *decentralisation by devolution* (transfer of decision making power to local government authorities) and the implementation of the national health strategies on mainland Tanzania. It pools donor and Government funds to pay for long-term improvement in the health sector and supports the implementation of the Health Sector Strategic Plan-IV (2015-2020). The focus of the Basket has shifted from financing the full sector strategy ("Health Basket") to achieving service delivery targets by linking quality of services and governance to performance payments ("Pool Fund for Health Results"). The ongoing release of health basket funds is outlined in a Memorandum of Understanding (MOU) between the Government and Basket Partners. All partners are set to ensure improvements in performance, financial management and procurements. The current Basket Partners are Switzerland, Canada, Denmark, South Korea, UNFPA, UNICEF and World Bank.

## Overall goal

To increase financial resources in the health sector, with a focus on Local Government Authorities (LGA), in order to reach underserved populations with essential, effective and affordable health services, and to contribute to effective decentralisation to enhance delivery of quality primary health care.

## Approach

The Health Basket Fund is using the Sector-Wide Approach (SWAp) to increase

coordination among Development Partners and the Government. The SWAp coordinates financing, planning, and monitoring mechanisms. It aims at creating synergies, while reducing transaction costs.

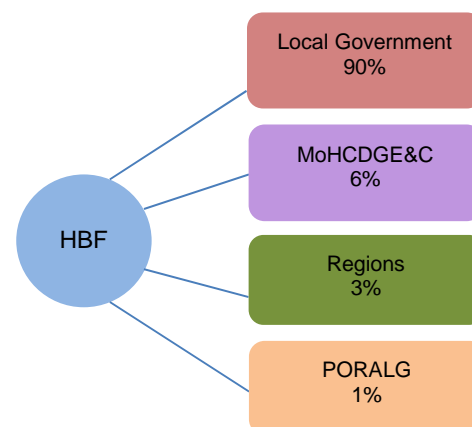
The Performance Based Health Basket measures the performance of the sector using the Score Card that has a total number of 19 performance indicators that are monitored. The Basket Partners meet with the Government on a regular basis to review progress through the semi-annual Basket Fund Committee meetings and through the more general Sector Wide Approach meetings involving all stakeholders in the health sector.

## KEY ACHIEVEMENTS

Significant progress in child survival and control of diseases of poverty, HIV/AIDS, TB and malaria (MDG 4 & 6).  
Greater equity through revised resource allocation and reduced out of pocket expenditure by 50%.  
Planning, budgeting and reporting strengthened at district level with the introduction of IT solutions.  
Increased local revenues generated through user fees or community health funds for social protection and in support of universal access to health care.

## Allocations 2016/2017

With the performance-based health basket, a major share (up to 90%) of the fund is allocated to Local Government Authorities who are responsible for providing basic health care services and social protection



## Beneficiaries

The beneficiaries are the people resident on the mainland Tanzania, in particular poor people and women and children as main users of primary health care services.