A photograph of a market stall. A man in a light-colored shirt and dark trousers stands with his back to the camera, looking at a display of woven baskets hanging on a wooden door. A woman in a purple headscarf and a colorful striped shawl sits on the ground in the foreground, looking towards the man. The stall is filled with various items, including baskets, a plate of colorful produce, and a blue water container. The background shows a white wall with a decorative wooden door frame.

Tracking investments in nutrition in Africa: experience from four countries

Working paper

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Country

Tanzania, Madagascar,
Ethiopia, Malawi

Authors

Clara Picanyol, Susan Horton,
Andrews Chautala, Helen
Connolly, Patrizia Fracassi,
Jean François, Ferew Lemma,
Charles Mwamwaja, Pura
Rayco-Solon, and Noel Marie
Zagre



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Oxford Policy Management Limited
Registered in England: 3122495

Level 3, Clarendon House
52 Cornmarket Street
Oxford, OX1 3HJ
United Kingdom

Tel: +44 (0) 1865 207 300
Fax: +44 (0) 1865 207 301
Email: admin@opml.co.uk
Website: www.opml.co.uk
Twitter: [@OPMglobal](https://twitter.com/OPMglobal)
Facebook: [@OPMglobal](https://www.facebook.com/OPMglobal)
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Abstract

There is considerable interest in greater transparency and accountability for aid expenditures. One result of this is that countries receiving external assistance have been encouraged to put effort into tracking spending. Efforts to track health expenditures have been underway, and following the recent increase in donor assistance for nutrition, there has been interest in tracking nutrition expenditures.

Tracking nutrition expenditures is more difficult, as nutrition tends to span several Ministries as well as involving multiple stakeholders. We review the experience of four countries (Tanzania, Madagascar, Ethiopia and Malawi) which have employed different methods. We review the factors affecting the choice of tracking method, and how well this serves country and donor interests.

Key words

Expenditure tracking

Nutrition

Accountability

Government spending

Africa

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1 Introduction

Increasing the effectiveness of aid has been a major concern during the last decade. Over this period, development assistance per capita to low income countries has recovered to levels in real terms last seen in 1990 (de Renzio, 2006; OECD/DAC, 2013). The focus on the Millennium Development Goals has helped to increase aid for health and now more recently nutrition. At the same time as aid has increased, the way it has been channelled has changed, with a greater proportion going as sectoral and general budget support (De Renzio, 2006). Another shift is that following the Paris Declaration (OECD/DAC, 2005), there has been greater emphasis on accountability and transparency, for example at the High- Level Forum on aid effectiveness in Accra in 2008 and in Busan in 2011 (McGee, 2013).

Demands for greater accountability and transparency have led in turn to increased need for tracking of donor funding, as well as expenditures in-country. Organizations such as AidData (<http://aiddata.org>) have emerged to make data available readily online. UNAIDS (<http://www.unaids.org>) for example stresses accountability as a key underpinning of its strategy, and co-sponsors a specialized resource tracking working group for HIV-AIDS prevention efforts (<http://hivresourcetracking.org>). There have been similar efforts to track expenditures on new vaccines.

The same emphasis is evident in the principles adopted by the new generation of international organizations such as the Global Fund (to fight AIDS, TB and Malaria) and the GAVI Alliance (<http://www.gavialliance.org>). The Global Fund has three key principles, one of which is that funding is performance-based. "That means that ongoing financing is dependent upon performance. While initial funding is awarded based on the strength of a proposal, continued funding is dependent upon the demonstration of proven results. In essence, countries must be able to show where the money has been spent and what results have been achieved with that money in order to continue to receive ongoing funding."

<http://www.theglobalfund.org/en/about/principles/> [accessed 2/21/2014].

Over the last five years, there has been increased international funding for nutrition. With increased resources, however, the same demand for increased accountability has arisen. There are various stakeholders, with different desires for accountability. International donors want country governments to demonstrate that funding has been used appropriately and has had an impact. Recipient countries want to be sure that funding pledged by donors reaches publicly-funded projects, and to understand how much funding is channelled off-budget through non-government organizations. Members of the public want to eliminate corruption and resource waste potentially involving their tax dollars.

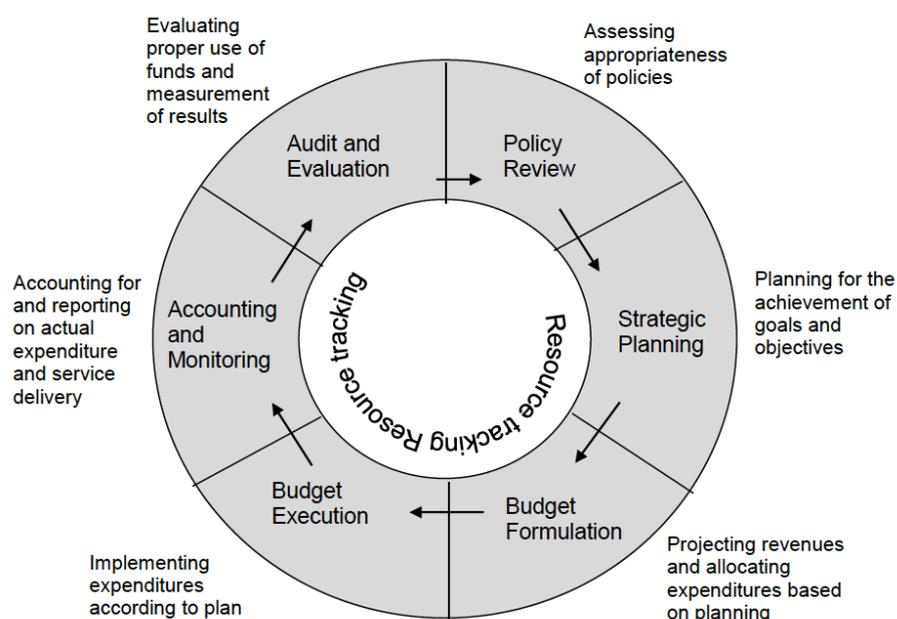
At the same time, tracking nutrition expenditure is more difficult than for health, since nutrition are inherently multi-sectoral. Although most of the direct nutrition (nutrition-specific) expenditures are incurred by the Ministry of Health, nutrition-sensitive expenditures (with more indirect effects on nutrition) involve Ministries responsible for water and sanitation, status of women, social protection and agriculture, among others.

In the next section we discuss the characteristics of a good tracking mechanism. The third section examines the advantages and disadvantages of five methods of tracking resources at country level, as well as what it being done internationally to track donor funds. The fourth section contains short case studies from four African countries that have employed a variety of methodologies, and the final section provides conclusions. Although the focus is on tracking expenditure on nutrition, the lessons learned are applicable to social sector expenditures more generally. There are also some broader lessons for aid accountability.

Features of good resource tracking mechanisms

Resource tracking is the process of routinely collecting, analysing, and monitoring resources flowing into and within a system. The first step of any attempt to track resources is to define and delineate the functional area of relevance. The importance of resource tracking is then evident throughout all stages of the policy and budget cycle. Having reliable data is essential to policy makers to prioritise, plan, make decisions on resource allocation, and monitor and evaluate policy implementation. Resource tracking is also an important way of promoting transparency and can be used for advocacy purposes.

Figure 1: Tracking resources within the policy and budget cycle



Source: The Authors, adapted from World Bank (1998).

Figure 1 presents the budget cycle broken down in six main stages. It can readily be seen how resource tracking is important in: planning for the achievement of goals and objectives (strategic planning); projecting revenue and allocating expenditure (budget formulation); implementing, accounting for, and reporting on actual expenditure (accounting and monitoring); and evaluating proper use of funds (audit and evaluation).

There are a number of reasons why mechanisms for resource tracking have faced challenges in developing and transitional economies, including shortcomings in the legal and regulatory frameworks, organisational structures, and control processes (Doe, 2008). As a starting point, weak underlying Public Financial Management (PFM) systems can make resource tracking through the government system nearly impossible. Data are often not generated and where a data system exists, it is often not up to date.

At the implementation level, there are also constraints due to both systems' capability and the lack of trained personnel to carry out budget reviews. Also, diverse audiences are interested in different reporting format and content, which require numerous parallel reporting methods with overlapping coverage. This poses a significant challenge to the staff in terms of time and costs needed to complete the necessary reporting templates. A typical challenge is how to reconcile reporting formats with government and development partners' requirements.

International agencies have suggested desirable characteristics of tracking mechanisms, based on standard principles of good practice in public financial management and aid effectiveness (OECD, 2008; World Bank, 1998). Suggested characteristics include the following:

1. **Comprehensiveness:** The financial tracking system should encompass all activities of all levels of government and extra-budgetary funds (donor-funding) to get a complete picture of government resources and expenditure. It is also important that the system covers both capital and recurrent expenditure together to ensure the right mix for sustainable service delivery.
2. **Timeliness:** Both financial and non-financial information should be made available on a regular and timely basis so that decision-makers have the relevant information to guide their decision and legislators have information to hold the executive accountable.
3. **User-friendliness:** Individuals should have the ability and the means required to use the system. This depends both on individual capacities (i.e., knowledge and know-how) but also on the capabilities of the system (for example, rules and regulations for engagement, ability to generate pertinent information on inputs and outputs).
4. **Alignment and harmonisation:** Alignment to existing systems makes a methodology more user-friendly (i.e., by utilising something users are already familiar with makes implementation easier) and increases legitimacy. A tracking system should be supportive of government structures and donor efforts, improve coordination, simplify procedures and allow sharing information to avoid duplications. Where a country already uses a particular tool to track resources, this should be assessed as a possible mechanism for tracking nutrition.
5. **Ownership:** The system must be owned by those mandated to use it directly and by those responsible for overseeing it (including donors). It will therefore need to be primarily owned by all ministries with some responsibility in the implementation of nutrition interventions as well as by local level service delivery units.
6. **Incentives:** Individuals must have incentives to carry out their responsibilities. Reporting mechanisms such as a financial tracking system should be used to

demand responsibility (for example, by a line ministry from local units, by central government from line ministries, by parliament from central government, mutually between donors and recipient countries). If responsibility is fostered through sanctions and rewards, the incentives to deliver are much higher.

We will use these criteria in the next section, to assess a variety of tracking tools for nutrition expenditures.

2 Tracking resources for nutrition

There are a variety of different commonly-used tools for resource tracking, some of which have been used for nutrition. **Table 1** summarizes some of their features. These mechanisms vary according to the strengths of the underlying PFM system. Basic conditions to perform financial tracking through government systems are unlikely to be fulfilled in all countries. Characteristics of the different tools are summarised in **Table 2**, which provides a subjective assessment using the criteria developed in the previous section, and we discuss each of these tools below in turn, in more detail. This section concludes with a brief discussion of methods that have been used at the global level to track aid, which are an essential complement to country-level efforts.

2.1 Budgetary analysis

The most common first step to track investments on nutrition is to undertake some budgetary analysis, usually covering only Government allocation and expenditures. This basically consists of tabulating relevant budget data across different dimensions (for example, administrative or functional classification), and comparing expenditures across years and sectors. It usually covers budget allocations as well as actual expenditure to estimate execution rates (actual versus allocated expenditure).

In order to carry out a budgetary analysis on nutrition, relevant expenditures need to be identifiable in the budget. This can be facilitated by adopting a 'nutrition budget line', where nutrition expenditure has its own budget line and is not subsumed within a broader category, such as being lumped with all curative or preventative interventions in a ministry of health. Nutrition has a 'budget line' when there is an administrative or a functional code corresponding to nutrition expenditures within the relevant tranche of a countries' Chart of Accounts. The code can cut across ministries making it possible to isolate nutrition expenditures from different sectors. Where a nutrition code or nutrition budget line exists, it will be possible to track investments on nutrition.

The budgetary analysis presents a number of limitations. Budget data are rarely disaggregated to the same level of detail as might appear in a national nutrition plan. Salaries and overhead costs, which represent a significant proportion of expenditure on nutrition, will most likely be reported as part of the governments' overall payroll and administrative costs, making it impossible to isolate the proportion corresponding to nutrition efforts through budgets alone (for example, the amount of medical personnel time attributable to nutrition). Similarly, significant proportions of nutrition expenditure will fall within much larger health system spending, such as facility-based treatment of children with severe acute malnutrition and related complications (with associated costs of antibiotics, equipment, etc.), which are unlikely to be isolated in a nutrition budget line. Finally, a budgetary analysis will generally not assess budgetary allocations or composition of expenditure against a set of desired outputs or policy objectives. In order to address these policy questions, a Public Expenditure Review (PER) would be needed.

2.2 Public Expenditure Reviews¹

The best known means of analysing public expenditures in developing countries is the Public Expenditure Review (PER), an exercise that evaluates and recommends changes to both the allocation of public expenditures and to budgetary institutions. A PER assesses the level and composition of actual public expenditures (defined as government expenditure and foreign assistance) over a specified time period (usually the last 3 to 5 years), as well as government expenditures against the desired policy goals and target outputs.

PERs rely on existing reporting and data monitoring systems. They will normally not undertake primary data collection, although they should draw on existing and on-going studies (for example, data from the National Health Accounts – NHA - or the OECD/DAC Credit Reporting System – CRS - database²) and may recommend that additional studies be undertaken in the future for more meaningful analysis.

PERs take place at the national level in many countries. They were originally often led or coordinated by the World Bank, but some countries now regard the sectoral PERs as an integral part of their expenditure management systems and run PERs themselves regularly (for example, Tanzania, Ethiopia). Sector-specific PERs in the social sectors are very common.

The goal of a PER is to analyse all public expenditures in a functional area, rather than in a single department or ministry. It is therefore possible, and appropriate, to carry out a PER of nutrition because nutrition expenditures cuts across a number of ministries. PERs have for example been undertaken successfully on Social Protection (for example, in Moldova).

While a very powerful and widely used tool to review public expenditure, the PER only provides a static picture of the sector and given the size and cost of the exercise, it is not carried out very often (for example, every 3 to 5 years or more). Simplified or rapid versions of the PERs might be considered, but these run the risk of resulting in a basic budget review (described in Section 2.1 above). PERs can, therefore, be considered as an option where annual or more regular data gathering mechanisms are not seen as providing the desired information to review and update policies. They can answer specific policy questions and they are usually 'quicker and easier' to undertake than establishing NHAs.

2.3 National Health Accounts

One of the more extensively used standardised frameworks to track health expenditures in countries is through National Health Accounts. This is the most widely accepted and institutionalised health expenditure tracking mechanism used at the country level. It was developed with the ambition of becoming a truly international standard for national health accounts (WHO, 2003). Originally published in 2000, and

¹ This section is based on OPM (2007).

² The CRS is an online database that aims to collect timely information and comprehensive statistics on official aid going to developing countries. It is developed and maintained by the Development Assistance Committee (DAC) from the OECD.

manual was revised in 2011 (OECD, WHO and Eurostat, 2011), and other manuals were developed for practitioners (OECD, WHO and Eurostat, 2013; WHO, 2003).

SHA 2011 includes government, private, household, NGO and donor expenditure in order to (1) provide a framework of the main aggregates relevant to international comparisons of health expenditures and health systems analysis; (2) provide a methodology, expandable by individual countries, that can produce useful data for monitoring and analysing the health system; and, (3) define internationally harmonised boundaries of health care for tracking expenditure on consumption. SHA 2011 also allows expenditures to be analyzed by other categories, including disease or condition. WHO reports that there are currently 37 countries undertaking NHA in line with SHA 2011.

The production of NHA requires extensive data collection from government, NGOs, donors, employers, insurance companies, households, and service providers sourced from a number of public records, insurer records, and household surveys. It results in a standard set of tables that organises and present health expenditure information in a simple format. Low- and middle-income countries that have produced detailed NHA reports have typically revised them every 3 to 5 years, although not usually on a set schedule.

The NHA includes items whose primary purpose is improving, restoring or maintaining health. It can be extended to items where expenditure is health related (i.e. expenditures that affect health but fall outside the boundaries of the health sector, including expenditures in ministries of education that are related to health, or income support measures for individuals living with HIV/AIDS. Such items can be tracked as addendum or memorandum items to the NHA. The NHA method has been used successfully to track expenditures on HIV-AIDS.

Lie et al. (2011) explore the approach to tracking nutrition spending and specifically look at whether the NHA framework might be used to track the health component of nutrition spending as well as non-health nutrition spending. The authors surveyed a group of international nutrition experts regarding priority actions to be tracked. They also suggested specific Health Function codes for 25 nutrition-related health activities as a guide on how to track these within the NHA framework, which could be further modified and developed and incorporated into the Health Account Production Pool. Most of these are nutrition-specific interventions, but some nutrition-sensitive activities are also included (for example, TB treatment, ARV treatment, hygiene practices). They conclude that “with some easy-to- implement extensions, the HA framework can be leveraged to track and measure spending associated with nutrition interventions that are closely associated with the health sector”.

Following a request from West African countries at an Economic Community of West African States (ECOWAS) nutrition focal point meeting in 2010, the WHO Intercountry Support Office for West Africa in Ouagadougou piloted the use of National Health Accounts for tracking expenditures on nutrition in Burkina Faso. The experience is now being documented this experience to share it with regional partners and countries. The results from this exercise will provide valuable lessons for countries exploring the NHA option.

2.4 The CHAI Resource Mapping Tool

The Clinton Health Access Initiative (CHAI) resource mapping tool is a data collection tool measuring resources available for the health sector. The three questions it addresses are who is providing the resources; on what are they being spent; and, where are they being spent. The tool was developed by Ministry of Health partners in collaboration with the CHAI. It aims to inform budgeting and planning processes by identifying the level of resources available, how and where they are being spent, and enable decisions related to the prioritization and allocation of resources.

The tool is a basic spreadsheet where data are entered by all stakeholders and then aggregated into a master data set. All categories are pre-defined and standardised so the resulting data set is comparable across development partners and government. Some countries are exploring the possibility of creating a web-based platform. Countries known to be using the CHAI tool are Ethiopia (2 iterations), Liberia, Malawi (2 iterations), Rwanda (4 iterations) and South Africa

Key features of this resource mapping tool are highlighted in Bijleveld (2013). These are that: it includes government and donor resources (and can include private resources); it allows a comparison of expenditures to budget; it is relatively quick and inexpensive to complete as it uses secondary sources; it can be undertaken annually; and it is complementary to the NHA.

Advocates of this tool argue that it is quicker and easier to use than NHA and it also has the advantage to track the budget allocations as well as actual expenditures. However, on the downside, the classification boundaries of the CHAI tool are not yet as established and defined as those in the NHA. This means that in practice, what is included and what it is not when using the CHAI tool can change within a country over time, making comparisons difficult. Comparisons across countries are also not possible with this tool.

2.5 Public Expenditure Tracking Surveys³

A Public Expenditure Tracking Survey (PETS) is a detailed analysis – almost a financial audit – of the financial flows between public units involved in service delivery.⁴ A PETS relies heavily on administrative and accounting records. A PETS tracks the flow of funds from the national treasury through the various levels of government down to frontline providers of public services like schools and health facilities. It can (1) determine the percentage of funds spent at each level of the service delivery hierarchy; (2) assess what share of public funds allocated in the national budget for service delivery actually reach service providers; and (3) determine whether funds are spent as they are intended.

It will consequently identify leakage (for example, the gap between the medicines that are sent from the district level to the district health centres and the drugs that actually arrive at the level of the district health centre) and administrative capture (the

³ This section is based on Hoole and Cammack (2007).

⁴ Non-public units are also included in the case where public activities are contracted out.

percentage of funds destined for service delivery that is retained for overhead costs at higher administrative levels). It is particularly suited to pin down problems of governance and accountability, including corruption. A PETS is large in size and in cost and provides a static picture of the sector, as with a PER. It is not the appropriate tool for ongoing tracking, and has not as yet been used for nutrition expenditures.

2.6 Global aid tracking for nutrition

The OECD Development Assistance Committee (OECD/DAC) Credit Reporting System (CRS) online database is the most extensive and reliable tool reporting regularly on donor aid. All OECD/DAC members are required to submit data on a quarterly basis via a questionnaire. Some private (Bill and Melinda Gates Foundation) and non-DAC members (the United Arab Emirates) have also recently started submitting data on a voluntary basis. The database is organised in three main layers: main sector categories (of which there are 26), purpose codes (between one and 18 purpose codes per sector category), and activity. Despite being the most comprehensive source, the data have limitations including misclassifications and incompleteness of data.

Mutuma et al (2012), Spratt et al (2013) and di Ciommo (2013) have undertaken studies of aid for nutrition, using the CRS as the source of information, although with differences in coverage and scope. Using a single source of data simplifies such studies and avoids duplication in case of double reporting. However, identifying nutrition investments in the database is not straight-forward. Despite the existence of a purpose code labelled 'basic nutrition' (code 12240), an analysis solely of this code is misleading as it just focuses on a very limited number of nutrition-specific interventions and does not cover any of the nutrition-sensitive interventions aimed at addressing the underlying causes of malnutrition. This nutrition-specific code is, therefore, an underestimate of the true total expenditure on nutrition.

Most of the studies have therefore also sought to include nutrition-sensitive investments by using keywords to track nutrition-related expenditures outside the "basic nutrition" code, and then choose an arbitrary proportion to add into total nutrition expenditure. Although the data have some disadvantages (do not cover all donors; are subject to missing data and miscoding), they may serve as a useful resource for countries undertaking mapping exercises. The Donor Network of the SUN Movement is generating a baseline database for 2010 with the intention of then tracking this forward, which promises to be very useful.

3 Country case studies

Countries have used various of the methodologies discussed in section 2 to track nutrition investments at the country level. We present four short case studies in this section.

3.1 Tanzania⁵: using a Public Expenditure Review

Malnutrition in Tanzania remains a significant public health problem, affecting mostly women of reproductive age and children under five years of age. The prevalence of vitamin A deficiency (VAD) is 33% among children below 5 years of age and 30% among women of reproductive age. An estimated 53% of pregnant women in Tanzania are anaemic, with only 4% of pregnant women taking iron and folic acid supplements for at least 90 days. Tanzania is finalising a Public Expenditure Review (PER) of Nutrition to assess the extent of fiscal discipline, allocative efficiency and operational efficiency in the nutrition sector in line with defined protocols.

PER as a tool has been widely used in other sectors in Tanzania and relevant officers are therefore familiar with and knowledgeable about the tool. As nutrition can be identified as a separate functional area, Tanzania felt that the PER could assist in the management and planning of resources for nutrition. The purpose was to examine the flow of funds within the public sector; to examine the performance of the public finance system in ensuring and financing the provision of care and improving welfare, and to examine some specific aspects of public sector performance.

The Tanzania PER on nutrition covers budget and actual expenditure on nutrition interventions at the national and sub-national level for two fiscal years (2010/11 and 2011/12). The timing of the exercise was made to coincide with the relevant stage of the budget cycle in order to be used as an input into budget preparation. This was considered essential because the major barrier in budgeting and planning at the district level is the lack of strategic direction and guidance on prioritisation and implementation of evidence-based nutritional interventions that have high impact on women and children.

The exercise was jointly funded and carried out by UNICEF and the Government of Tanzania and took place in summer 2013. Due to time and budget constraints, the review was based on a random sample of 15 Local Government Authorities (LGAs), out of a total of 161 LGAs in mainland Tanzania. The sources of finance identified were multiple, including: the national budget (12 different ministries), off-budget funds (direct to intervention), local governments' own resources, sub-national governments, and civil society organisations.

Tanzania identified the following nutrition interventions areas to be reviewed: micro-nutrient supplementation (for example, vitamin A, iron, zinc); food fortification with micronutrients (for example, iodine, vitamin A, iron); breastfeeding and complementary feeding; treatment of severe or acute malnutrition; targeted food aid; nutrition care and

⁵ This section is based on Innovex (2013) and Mwamwaja and Chiduo (2013).

support for those with HIV/AIDS; nutrition education / behavior change on nutrition; growth monitoring and promotion; pregnant women's nutrition; nutrition surveys and surveillance.

The process followed three main stages. In the inception phase, consultations and documentation reviews took place and the data collection tools were developed. Out of all the sources of finance initially identified, the data tools were designed to capture expenditures from two main groups: (1) Ministries, Departments and Agencies (MDAs); and (2) LGAs. The data sheet for MDAs included general information, a list of nutrition activities in the Medium Term Expenditure Framework (MTEF), a record of funds released to implement nutrition activities, a record of actual expenditure for nutrition activities, a record of details of budget inputs and a record of details of actual expenditure. The data sheet for LGAs included: general information, the council total annual budget, council funds received, actual expenditure, and budget and expenditure on nutrition activities in the MTEF and non-MTEF programs implemented at the council level. This approach worked for Tanzania, since a smaller proportion of nutrition projects are funded by external donors and non-government organizations, than in some other African countries.

The second stage was data collection. The data were collected via the MDAs and the LGAs datasheets as well as with data from the MTEFs of relevant MDAs and the sample LGAs, via workshops and visits to MDAs and LGAs. Agencies' internal reports were reviewed for triangulation.

The third stage focused on data analysis and findings. The initial findings indicate inadequate funding of nutrition interventions as well as delays in disbursement of funds to these interventions, making implementation more inefficient. The study also finds differences between budgeted and released funds and difficulties distilling data from the various sources. Nutrition was also found to be given relatively low priority at the stage of budget planning, especially at lower levels and the report concluded that there was a need for capacity building specifically on planning and budgeting for nutrition. The findings emphasise the inter-sectoral linkages of nutrition programmes and the need for collaboration across sectors and level of government.

During the process, a number of challenges were faced. A PER is time-consuming and there was, therefore, a need to prioritise tasks and limit the sample size (15 LGAs) and period (2 years). It highlighted the integrated nature of many programmes which often made it difficult to disentangle specific nutrition components. Similarly, experts found that the interventions were not broken down to the desired level of detail so little could be said with regards to the composition of inputs within a programme. Tanzania also faced limitations with regards to the information available from donors and NGOs, which was often limited, especially when funds were going directly to projects and not through the government budget.

The results show that public spending on nutrition interventions is not targeted to the most vulnerable groups including children under two years of age and pregnant women.

Tanzania has a relatively strong Public Financial Management system which includes a programme-based budget with a results orientation. Tanzania's Chart of Accounts includes a performance tranche that allows for quick identification of expenditures by their objective and target, and not only by their administrative classification (i.e., the

department or unit under which the expenditure falls) or economic classification (i.e., the nature of expenditure such as personnel costs or capital expenditure). Although the PER provides one of the most comprehensive and in-depth analyses of nutrition expenditure in a given country, it is not necessarily replicable in many countries.

3.2 Madagascar⁶: a local resource-mapping tool

Madagascar developed a National Plan of Action for Nutrition (PNAN) bringing in multiple sectors and representatives from ministries, civil society organisations, private sector, donors and the United Nations. The plan consists of 5 strategic areas, 27 interventions and 78 activities. It is a four-year multi-sectoral plan involving many stakeholders.

With the aim of mobilising resources and estimating existing resources available and needed to finance the PNAN, Madagascar developed a mechanism to track investments. With the support of the Technical Service for Review of Public Expenditures, a unit integrated within the Government of Madagascar, the National Office of Nutrition (ONN) developed a financial tracking report on expenditures related to nutrition, collected information on financing and fed it into a template aligned to its costed plan. Information was collected through a survey in line with the strategies, interventions and activities structured in the PNAN, which was sent to all stakeholders. The survey data allowed the ONN to have a clearer picture of the financial possibilities and existing commitments, and an indication of what could potentially be mobilised. At the same time, they improved their understanding of extra-budgetary amounts in certain line ministries, civil society organisations and the private sector.

The data collection was facilitated by various workshops. On receipt of the survey responses, the ONN followed-up on a case-by-case basis to avoid duplications (for example, funds reported both by a donor and by implementing agency). The main challenges that the ONN faced were the limited knowledge of nutrition-related investment in each of the sectoral ministries, as well as the limited transparency or breakdown of budgets of some of the operating agencies. In certain line ministries, it was difficult to distinguish the expenditures contributing to nutrition. Also, very little information from the private sector was collected.

The main lesson from the process is the importance of designing a tool that was acceptable to everyone, easy to complete and useful for detecting where funds were double-counted. It was also important to allow a reasonable amount of time for respondents to duly fill out the information and also to provide support to those having more difficulties.

Additionally, Madagascar created a regional group to monitor and track the operating agencies across the 22 regions and ensure that their capacity is strengthened.

⁶ This section is based on François (2013)

3.3 Ethiopia⁷: a geographic and actor resource mapping tool

Ethiopia has recently embarked on a country-wide exercise to map resources for nutrition. The aim is to identify and document the extensive nutrition interventions being implemented across multiple sectors, the partners undertaking the activities, the resources flowing into nutrition and the interaction between interventions and stakeholders. This stakeholder mapping also serves as an accountability tool to track progress and examine whether commitment plus resources results in an impact on nutrition outcomes. There was particular interest in including donor and NGO contributions, due to the multiplicity of actors operating in the country.

The process was divided into three main phases: a formative phase; an implementation phase; and an analytical phase. During the formative phase, agreement was reached on all nutrition interventions to be included in the data collection tools. The outputs were developed, including tables showing the finances available for nutrition for all the interventions as well as maps and matrices showing who is doing what and where in the country. A list of stakeholders to be contacted was put together and the methodology was agreed.

During the implementation phase, the data collection tools were designed and disseminated first for pre-testing to a key group of stakeholders and then to all others, with follow-up via email, phone, and face-to-face meetings.

Finally, the analytical phase was used to identify issues raised from the questionnaire, to create the data sets and to analyse the information with the financial tables and the maps and matrices showing the activities of each stakeholder throughout the country.

Ethiopia is already looking at ways to make this product sustainable in the long-term. One of the challenges is how to integrate the tool into the yearly survey of partners' activities conducted by the Ministry of Health so that findings could be integrated in the Ministry's database. On the one hand, this would contribute towards reducing the workload of partners and make it more likely that they would complete the survey ensuring sustainability. On the other hand, it would mean reducing the questionnaire, resulting in a smaller amount of data and outputs. Sustainability is key as difficulties were reported in getting information from NGO's and some donors.

3.4 Malawi: a simplified public expenditure review⁸

Malawi is estimating financial resources spent on nutrition in 2010-12 and allocated or committed to nutrition for 2013-15. The analysis being carried out contains elements of a public expenditure review in as much as it reviews monies spent over the last three years and complements it with a forward-looking analysis of commitments. The ultimate purpose of this exercise is to improve nutrition financing and portraying accountability towards resource mobilisation for programmes and projects.

⁷ This section is based on Lemma (2013).
⁸ This section is based on N'Gbesse (2013)

The first step was to define the conceptual framework from a functional as well as from an administrative perspective. Malawi has defined its functional boundaries using the objectives of the nutrition financing assessment in Malawi (i.e., on a national investment strategy) which are in line with Health Sector Strategic Plan, National Nutrition Policy and Strategic Plan and National Nutrition Education and Communication Strategy. It was decided to cover institutional funds including central government resources, donor resources, local government and NGO funds, but to exclude household expenditure on nutrition.

The second step was data collection. Secondary sources were used to identify resources from the government. In addition, primary data collection was undertaken from 41 targeted institutions in the form of a survey, which included NGOs and donors. However, only 15 of those targeted disclosed their financial information on nutrition activities.

The next step was the data analysis. In order to triangulate the data, a so-called T-account was constructed for each agency, where expenditures are listed on the left side of the account and revenues on the right side of the account. The rule of T-accounts is that the sum of entries on the left and right sides must always be equal so that every expenditure item is cross-checked with revenue. Figures are tracked through the system avoiding double counting (expenditure by some might be revenues for others via transfers).

Finally, Malawi is validating and analysing the results. First of all, they are determining the limits of the analysis given the responsiveness among the targeted institutions and the resulting reliability of the findings. The next step is to establish the level of alignment of resources with the national nutrition policy under review. Malawi is currently reviewing priority interventions and financing mechanisms for the programmes and projects. This will provide a comprehensive view of nutrition financing and allow them to make recommendations on allocations and financial gaps going forward. This understanding will provide a basis to lobby for extra financial support for effective implementation of the national response to nutrition.

4 Conclusions

Accountability and transparency is of growing importance in aid expenditures. There are a variety of tools that can be used to track expenditures and support accountability. Our review of experience for nutrition provides some more general lessons for other social sector expenditures, especially where these occur across more than one Ministry.

Choice of methodology depends on country context. Countries are at different stages in the development of their financial tracking systems for nutrition investments, which depend upon (among other things) the existing level of development of the public finance system. Those countries that appear to be furthest ahead in tracking investments for nutrition have opted for methodologies they were already being used for other sectors and with which they are already familiar. For example, Tanzania has been carrying out PERs in a number of sectors for over a decade, which contributed to the decision to carry out a PER on nutrition. On the other hand, Ethiopia has been carrying out resource mapping for many sectors for years, and decided to use a similar methodology for nutrition interventions.

As discussed in the second section, planning and tracking of activities should ideally be integrated when creating a country's nutrition plan, these should be linked to the financial management system, and should complement measurement of outputs. However not all countries are at this stage. A transitional option while the system evolves is to decide on a classification of financial investments on nutrition. If the classification cannot be based on the national costed plan, investments can be classified based on implementing agencies, or by programme.

One of the greatest challenges in the case of nutrition is to decide what the tracking system should cover. As nutrition programmes are multi-sectoral, there is a clear need to identify which sectors would be tracked by the system. Tracking can be limited to the health or agricultural sectors, or it can be more comprehensive. It can focus only on nutrition-specific expenditures, or it can include nutrition-sensitive interventions. In some cases, it might be worth focusing initially on nutrition-specific expenditures; starting small to set a good base and understanding and meaning of tracking, and including nutrition-sensitive expenditures once basic processes are in place.

Another aspect of scope is whose expenditures should be included. Should tracking include private and donor expenditures as well as public? At the global level donors are still finalising a consensus among themselves on what to track, and how (see section three). It is still unclear how and to what extent this will provide the information countries need, to incorporate the tracking of aid expenditures that are channelled outside the Government budget level. Private resources are often the most difficult ones to track. At this stage, it is unlikely that many countries will be able to track private resources dedicated to nutrition on a regular basis.

Ultimately, the choice of how to track nutrition expenditures may depend on the country's main motivation for doing so. If the main goal is to examine effectiveness of expenditure, a PER may be the best approach, either in full (where data and resources are available), or modified in scope. If the main goal is to undertake a census of who is doing what, a mapping exercise may be appropriate. Countries can develop their own

resource mapping tools, or there are some existing ones such as the CHAI tool. If the focus is on nutrition-specific investments undertaken mainly in the health sector, the NHA might be the best solution. A PETS may be suitable for countries concerned about leakage of expenditures.

There are also differences in perspective on tracking between donor and recipient countries. Recipient countries have less power to obtain expenditure data from non-government organizations operating within their boundaries, than do donors (who often fund them). This is a significant issue for countries such as Ethiopia where there are a multiplicity of non-government organizations, often operating in the same region of the country, with potentially overlapping programmes. Recipient countries therefore have as strong an interest in good databases of donor spending, as donors do in financial reporting by recipient countries. To the extent that the two data sources can be cross-referenced and reconciled, both groups of countries will benefit.

Finally, none of the accountability efforts address a key issue highlighted by both McGee (2013) and de Renzio (2006), namely the relative lack of involvement of civil society in the low income countries in the process.

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Annex A Tables

Table 1: Main tracking tools at country level, coverage, and frequency

Tool	Nutrition expenditures covered/excluded	Frequency of data collection
Budget Analysis	Expenditures from the national budget classified by ministry, department, or agency. In those departments that have a 'nutrition budget line', it would be possible to isolate nutrition expenditure.	Annual. In some cases, it can be more frequent if there are quarterly or mid-year execution reports.
Public Expenditure Review (PER)	Typically government expenditure (not private investments), and where possible investment from external sources (foreign assistance). A PER defines its own classification boundaries and can therefore cover multi-sectoral interventions such as nutrition.	Usually designed as a 'one-off' study, i.e., not institutionalised to be carried out with a certain regularity.
National Health Accounts (NHA)	Public and private nutrition expenditures within the health sector, including those from external sources. It uses actual expenditure (not budget or commitments). The possibility of isolating nutrition depends on details of existing data.	Typically every 3-5 years in LMICs.
CHAI (Clinton Health Access Initiative Resource Mapping Tool)	Designed to cover health expenditures from the national budget and from donor resources, with the possibility of importing private expenditures. It includes budget as well as actual expenditure. Boundaries are loosely defined and can be adapted to cover nutrition.	Designed to be carried out regularly. 3 out of the 5 countries using this tool have done annual iterations.
Public Expenditure Tracking Survey (PETS)	It covers public (and non-public in the case of contracting out) units involved in service delivery. A PETS relies heavily on administrative and accounting records and as such, the possibility to isolate nutrition expenditure will depend on the extent to which these are isolated in the administrative units.	Usually designed as a 'one-off' study, i.e., not institutionalised to be carried out with a certain regularity.

Table 2: Financial tracking systems assessment matrix

	Comprehensiveness	Timeliness	User Friendliness	Alignment and harmonisation	Ownership	Incentives
Budgetary Analysis	Low – only covers budget data	High – annually	High – easy to undertake	High – does not require any additional data collection	Depends on whether it is already in use for other sectors.	High – it is often part of the annual budget reporting requirements
Public Expenditure Review	Medium – Depends on secondary data available	Low – once every 3 to 5 years	Medium – requires some specialised expertise	Medium – Depends on whether it is already in use for other sectors	Depends on whether it is already in use for other sectors	Low – unless it is part of the standard budget reporting requirements
System of Health Accounts 2011	Medium - only covers health sector and related, and includes private, public and external expenditures	Low – once every 3 to 5 years	Low – requires very specialised expertise	High – it harmonises all funds related to health within and across governments	Context specific	Medium – it allows countries to be compared against international benchmarks
CHAI Resource Mapping	Medium - only covers health sector and related and includes public and external	Medium – can be done annually	Medium - requires some specialised expertise	Medium – Depends on whether it is already in use for other sectors	Depends on whether it is already in use for other sectors	Low – it is carried out in addition and in parallel to other more established methods
Public Expenditure Tracking Survey	Medium – Depth can be comprehensive but is based on a sample	Low – once every 3 to 5 years	Low – requires very specialised expertise	Low – it is carried out as a stand-alone exercise	Context specific, but often only owned by a small group of stakeholders	Low – it focuses on leakages

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Level 3, 52 Cornmarket Street,

Oxford, OX1 3HJ, United Kingdom