

## BRIEF REPORT OF THE 7:30 BREAKFAST DEBATE – APRIL 27TH

2016

### **Achieving a Balanced Budget on Health and Education: Expectations, Challenges and Opportunities**

On the 29<sup>th</sup> of April 2016, Policy Forum held its monthly breakfast debate titled Achieving a balanced budget in Education “Expectations, Challenges and Opportunity” at the British Council. The main presentations were made by Mr. Godfrey Boniventura-Research and Policy Analysis Manager at HakiElimu and Mr. James Mlali – Programme Manager at Health Promotion Tanzania/United Nations Association-Tanzania with a Ministry of Health (MOHCDGEC) representative and Dr. Wilson Kitinya, Health Governance and Finance Department at SIKIKA as discussants.

The debate was facilitated by Mr. Deus Constantine.

Mr. Boniventura focusing on the education budget highlighted key issues for a balanced budget in 2016/2017. With the establishment of Government circular no 5, 2015 that calls for free education, Mr. Boniventura stressed the need for prioritization and investment in education. This comes in light of existing gaps in the disbursement of capitation grants where only 40-50% of set grants were disbursed to schools. He added that to meet the demands of free education including capitation grant, financing infrastructures, school feeding porridge program and compensation of school fee secondary education, the government needs to allocate sh 1 trillion in fiscal year 2016/2017 budget.

Other key challenges in achieving a balanced budget, he pointed out include the budget allocation in education sector which at 3.8 trillion for 2015/2016 only constitutes 16% of development budget and is below the target of the national development plan of at least 40%, the fair distribution of the development budget between higher students loans and other development projects within the education sector, actual disbursement of allocated funds and the dependence on development partners for financing.

Mr. Boniventura concluded by stating that there can be a balanced budget if it considers demands of free education, development budget is increased between 30%-40% of education sector budget, more money for development goes to primary and secondary schools, perfect match between allocation and actual expenditure in development budget and it considers teachers, teaching and learning.

Mr. Mlali centering on the health sector budget presented on harnessing demographic dividend towards a middle income economy acknowledging that though percentage allocated to the health sector has grown, it has not reached the Abuja declaration pact. Current revenue distribution of budget shows that 52% is donor funds, 23% individual contributions, 21% from own source and 4% other. With an annual growth rate of 2.7%.

Tanzania faces a number of challenges including meeting needs for universal access to health services, education, sanitation and power, Mr. Mlali said. Recommendations put forward by Mr. Mlali included capitalization of the demographic dividend in the new 5-years develop plan, consideration of how rapid population growth will affect the implementation of all new national strategies, investment in high job creating sectors and the allocation of sufficient funds for family planning services to increase CPR to 60% by 2020 (at least Tshs. 6 Billion for 2016/17) with scale-up access to family planning, especially among young people to enable them to delay childbearing .

Leading the discussion, Mr. Edward Mbanga from the ministry of health mentions that every sector has a percentage of commitments that sometimes reach beyond 100% and even though the government has not reached the 15% stated by the Abuja declaration pact, they are headed towards it. He also mentioned that over the past years there has been an increase in allocated budget for health sector with 2007/2008 showing an increase from 11.3% to 13%. Further, Mr. Mbanga indicated that he is optimistic health infrastructure will be given priority and BMR shall continue on to other regions as it is now still in piloting phase and good relations with Development partners are crucial.

Dr. Wilson Kitinya stressed that health and education are connected and it is important to focus and differentiate between need vs allocation and allocation vs disbursement where only 22% of need is disbursed. He also brought attention to the issue of development vs training in the health sector and called for government to re-consider donor dependency.

Other key issues raised from the discussion included the need to broaden definition of health and include factors such as mental health and non-communicable diseases, how is money spent and allocated and is budget passed by parliament honored, dependency of social sector killing the creativity of Tanzanians to look for their own solutions, a need to invest in our generation as well as government rethinking priorities of nation, formalizing other sectors , a call for enhanced revenue collection to finance budget and a rampant issue of corruption affecting development.