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MINISTRY OF HEALTH-ETHIOPIA

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HEALTHIER CITIZENS FOR PROSPEROUS NATION!

GOVERNMENT OF ETHIOPIA TB RESOURCE-TRACKING TEMPLATE

TOOL NARRATIVE • JUNE 2024 • ETHIOPIA



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About HS4TB

The US Agency for International Development (USAID) Health Systems for Tuberculosis (HS4TB) project seeks to transform the way country leaders and health system managers understand and work toward TB control and elimination. HS4TB is a five-year USAID contract focusing on health systems priorities that most directly support achievement of TB outcomes, with a focus on health financing and governance in the USAID TB priority countries. The project helps countries increase domestic financing, use key TB resources more efficiently, build in-country technical and managerial competence and leadership, and support policy formation and dissemination. HS4TB is led by Management Sciences for Health (MSH) in partnership with Open Development.

Contact Information

For more information on the HS4TB project, contact:

Kamiar Khajavi
Project Director, HS4TB
kkhajavi@msh.org

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USAID TOCOR: Eric Baranick

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INTRODUCTION

Calculating how much the Government of Ethiopia (GOE) and its partners spend on tuberculosis (TB) annually is a challenge. It is difficult for the Ministry of Health-Ethiopia (MOH-E), as well as subnational health and finance offices, to identify financing gaps in TB program areas as compared to annual plans and the TB National Strategic Plan (TB NSP), due to the inability to track current investments in TB programming. This also makes it challenging to justify additional financing to address program gaps.

TB expenditures are managed across a number of financial management systems, with varying tracking and reporting functionalities. A comprehensive electronic financial management system to track health program-specific expenditures does not exist, though plans are underway to develop a Health Financing Information System (HFIS) that will consolidate and digitize the health resource tracking systems in the country.

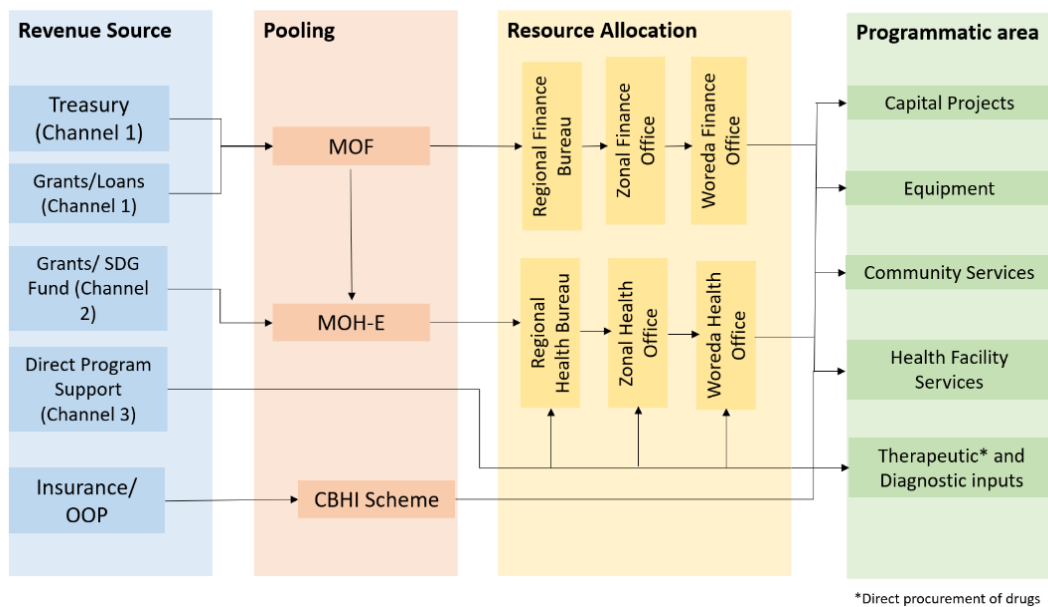
In the interim, the United States Agency for International Development (USAID)'s Health Systems for TB (HS4TB) Ethiopia team, working with the National TB Program (NTP) and the Strategic Affairs Executive Office (SAEO), has developed a TB Resource-Tracking Template which can be used to address the current TB resource tracking challenges. The NTP intends to use this tool for annual resource tracking and reporting purposes, which will enhance advocacy efforts for additional domestic financing and co-financing negotiations with the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) and other partner organizations. The tool is being piloted in Oromia Regional Health Bureau and Sidama Health Bureau in 2024, with plans to scale it nationwide to all regions and city administrators, following the pilot and endorsement of the final tool by the SAEO. This template will also support the NTP to engage with the MOH-E on the design of the HFIS, providing a clear structure for incorporating TB financing in the HFIS tracking, reporting, and system requirements.

This narrative offers a review of the existing expenditure tracking tools and their limitations. It provides the background on the development of the TB Resource-Tracking Template and an overview of its features, and projects a way forward to pilot and operationalize this tool until the consolidated HFIS is in place.

THE FLOW OF FUNDS FOR TB IN THE HEALTH SECTOR

There are a number of revenue sources that support TB programming in Ethiopia. USAID's HS4TB project, under the direction of the NTP, evaluated the current flow of TB resources from different channels to the subnational level, as illustrated in the figure below:

Funds flowchart for TB programmatic areas



Resources from the treasury, certain external aid/assistance, and loans (including earmarked and unearmarked funds) that flow through the MOF to the MOH-E and to regions directly are referred to as **channel one** funds. At the national level, resources are allocated either to the MOH-E or to specialized institutes and hospitals under MOH-E supervision. The portion of these resources that are from the treasury are disbursed based on an allocation formula. A block grant from the Ministry of Finance (MOF) is allocated to each region, with the regions deciding on the allocations across sectors. These block grants from the MOF are based on a subsidy formula approved by the House of Federation. The MOF transfers the block grants from the government treasury to regions, which disburses these block grants to woredas, based on the predetermined formula that considers population size, demographics, and equity factors. Donor resources flowing through this mechanism include the International Development Association (IDA), World Bank investment project financing (IPF) and water, sanitation, and hygiene (WASH) financing.

Funds that are directly deposited into the MOH-E account by development partners and managed by the MOH-E are referred to as **channel two** funds. These external resources are allocated as per the agreement signed with donor partners and bilateral agreements. One example of channel two donor resource is the Sustainable Development Goal (SDG) pooled fund, which is supported by a wide range of partners and managed by a steering committee that includes the MOH-E.

Donor partner funds that are provided off-budget and directly to the health sector at the subnational level are referred to as **channel three** funds. The MOH-E prepares an annual budget and allocates it to regional health bureaus and city administration health bureaus. Donors such as USAID provide financial assistance through this mechanism.

Insurance and out-of-pocket (OOP) payments also provide resources at the subnational level, but the NTP does not intend to track them using the TB Resource-Tracking Template.

EXISTING RESOURCE-TRACKING TOOLS

The HS4TB project with the NTP identified existing resource-tracking tools in use by the MOH-E and assessed to what extent they can track TB resources.

In collaboration with the MOF and development partners, the MOH-E has implemented different financial management tools to maintain the accuracy and consistency of financial information at the national and regional levels. At the national level, the MOH-E uses the Integrated Financial Management Information System (IFMIS) to keep track of budget utilization and expenditures from the treasury, external assistance, and loans from the MOF (Channel 1). The MOH-E uses Sage 50 Peachtree accounting software to track grants and other donor resources it receives (Channel 2). Another Excel-based resource-mapping tool is used at the federal level to track external, non-governmental donor resources in all three channels. Meanwhile, regional, zonal, and woreda health bureaus use the Integrated Budget and Expenditure System (IBEX) to monitor domestic health expenditures.

For NTP purposes, the main limitations of the existing tracking tools are that they either do not have the ability to track TB expenditures (IBEX) or only have a single activity or project code for TB expenditure that does not provide enough detail on TB budget and expenditure data from both domestic and grant sources by programmatic areas (IFMIS). This leads to a heavy reliance on periodic surveys and audits, which can be both expensive and infrequent. Additionally, the use of different resource-tracking tools at the national and regional levels means that consolidated TB resource allocations and expenditure data are not readily available to the NTP for decision-making. To generate a comprehensive report of domestic and partner resources for TB, the NTP must compile and reconcile budget and expenditure data from all of these distinct resource-tracking tools.

A summary of the resource-tracking tools currently in use, and their limitations, is presented in Table I below:

Table I. MOH-E Tracking Tools Currently in Use

Tool	Description	Limitations
IFMIS	IFMIS is a public financial management system implemented by the MOF across federal ministries, agencies, regions, city administrations, zones and woredas to improve expenditure management processes, accountability, and transparency at the national level. It was rolled out in 178 sites, including the MOH-E, in 2014. Close to 80% of the federal budget is administered by IFMIS.	The system faces challenges in tracking TB resources due to a lack of TB programmatic definitions and the inability to track grant activities to the level of detail required by donor partners (e.g., data disaggregated by NSP category or programmatic category are not available). IFMIS captures TB resources using one code – TB Prevention and Control – without further programmatic breakdown. In addition, it is currently implemented at the national level and has not been implemented at the regional health offices and city administration level. Hence, it does not capture sub-national expenditure.
IBEX	IBEX is a financial information system in Ethiopia that automates public finance. It consists of modules such as Budget, Accounts, and Administration. The	IBEX has a broad programmatic category (Disease Prevention and Control) to capture TB expenditures. IBEX primarily tracks funds through expenditure categories, making it difficult to track TB and other

	Finance Bureaus of Regions and the Finance Offices of zones and woredas access IBEX. If a health facility has a cost center, its detailed expenses can be found in the IBEX system. This allows IBEX to monitor expenditure data at the lower administrative levels effectively.	program-specific resources. Additionally, the system is implemented only at the subnational level and used to track resources through Channel 1, but does not track resources through Channels 2 and 3.
<i>Sage 50 Peachtree Accounting Software</i>	Sage 50 Peachtree is an entry-level accounting software used by the MOH-E and the regional health bureaus to track earmarked and grant budgets and expenditures, including those from the Global Fund, the SDG Fund, the World Health Organization, etc. The MOH-E finance executive office owns and manages the system.	The system captures expenditures at the national and regional levels but is not capable of tracking domestic TB resources. In addition, Sage 50 Peachtree is an off-the-shelf accounting software package not designed or made to order, so security is a risk.
<i>Excel-based Resource-Mapping Tool</i>	The MOH-E currently uses an Excel-based resource-mapping tool as part of an annual process to determine where donor and implementing partner resources are allocated and budgeted against the Health Sector Strategic Plan objectives. This process helps facilitate the joint annual planning of the government and partners.	The main deficiency of the tool is that it does not track domestic resources that are committed and expended for program areas, including TB.

THE TB RESOURCE-TRACKING TEMPLATE

To better meet the needs of the NTP and address the challenges outlined above, the HS4TB Ethiopia team worked closely with the NTP and SAEO to develop the TB Resource-Tracking Template.¹ The tracking template captures programmatic activities, budget, and expenditure details at the national and regional levels for TB. Specifically, it tracks allocations and disbursements from the national and subnational governments, as well as from donor partners.

Design and Development

The development of the TB Resource-Tracking Template involved a systematic approach encompassing planning, designing, consulting, soliciting feedback, and refining the final template. In the initial stage, the HS4TB team collaborated with the NTP to assess the existing resource-tracking tools and identify gaps and requirements specific to TB resource tracking.

¹ Please refer to page 11 for a link to the template.

The tracking template has two tabs for data entry: one for domestic resources and one for donor partner resources.

For domestic resources, the IBEX categories used currently at the subnational level are very operational (e.g., equipment vs office supplies vs fuel) and do not provide any visibility into resources dedicated to different TB activity categories such as outreach vs training. (However, the IBEX codes/categories are familiar to subnational finance personnel and are used for broader program budget and expenditure tracking.) Therefore, the HS4TB and NTP team decided to adopt the programmatic categories from a similar HS4TB-Kenya project.² The Kenya programmatic categories were developed through rigorous stakeholder consultation and a pilot exercise in a neighboring country. They allow for a simplified but practical overview of major TB program areas and expenditure areas. In addition to endorsing the Kenyan list, the NTP added one more category: ‘TB drug procurement’.³ The resulting list of just nine categories — although a mix of programmatic and cost categories — is expected to be more practical for integration into a future HFIS reform, rather than the 34 Global Fund TB programmatic and cost input categories described below.

For donor resources, the NTP adopted the 17 programmatic categories and a different set of 17 cost input categories that are currently used under Global Fund. This will allow a relatively simple data entry process for Global Fund resources although, for resources from donors other than Global Fund, the selection of programmatic and cost input categories to use for each row will need to be qualitative and approximate.

The use of different cost categories for domestic and donor resources may ease data entry, but it does have one drawback: for “cost by intervention”, the tool produces separate summary outputs, with different cost categories for each, for domestic vs donor funds. However, a more unified view appears on the “output by NSP Strategic Objective” tab, where both domestic and donor cost categories are approximately cross-mapped (see the “Mapping to NSP strategic objective cat” tab) to produce a summary of all financial inputs by NSP strategic objective. The “Output by Source of Fund” tab also captures the full (domestic plus donor) picture in a single table.

Inputs for the domestic resources tab should be obtained from source documents and payment documents from NTP, the national and regional Finance Department, and the Regional Health Bureau on an ongoing basis and consolidated annually. Inputs for the donor resources tab should be sourced from the respective donor partner’s Peachtree documentation on an annual basis.

The tracking template should be filled out at least one month before the budget preparation and planning call by the MOF or Bureau of Finance (BOF) from February 1 to March 31 (before the fiscal year). This allows the outputs to influence budget development and advocacy in the budget hearing on April 30th, before the fiscal year starts. Woredas are the lowest level in the health system, where budget development would include specific TB activities, but aggregated budget and expenditure information is accessible at the regional level. Hence, the TB resource-tracking process will start at the regional level.

² Ministry of Health, Kenya. Evidence Brief from TB Resource Tracking Tool Pilot. https://pdf.usaid.gov/pdf_docs/PA021KNP.pdf

³ This was not included in the Kenya tool simply because the tool was for subnational tracking, and TB drug procurement in Kenya is a national function.

The outputs from multiple regions will be collected by NTP and consolidated with the NTP's own TB budget items.

Particularly for domestic resources, it may be useful to enter data with all rows related to a particular programmatic category grouped together so the budget logic is clearer. The input tabs can also be sorted according to the cost category, implementer, and budget and expenditure amount.

The cost input category for the domestic resources is captured through the IBEX expenditure codes, where selected codes relevant to TB resources are identified and included. These cost categories were selected and used in the template as they are already familiar to the finance and program staff, who will be responsible for completing the template.

Continuous dialogue and co-creation sessions with the NTP team ensured alignment with the requirements and expectations of the TB program. This collaborative process produced a final template that can generate summary reports and visualizations based on programmatic categories, funding sources, and NTP cost categories.

Features of the Tracking Template

The template was built using Excel and incorporates the design specifications and requirements discussed with the NTP in the process described above. It includes contact details, instructions, input and output sheets. The instruction sheet provides guidance on how to complete the data required. The MOH-E and organizational contact sheet provides contact details for the responsible personnel within the MOH-E and the necessary information for the person completing the tool. The input sheets are separated for the domestic and donor resources to capture the budget and expenditure reports more explicitly. The output sheet summarizes the budget and expenditure reporting into a programmatic category and NSP strategic objective.

The table below describes each feature in detail.

Table 2. TB tracking template features

	Description
MOH-E Contact Sheet	This sheet provides the contact information of individuals responsible for providing technical support to organizations filling the tool. It also provides the contact details of where to submit the completed tool.
Instructions Sheet	This sheet provides general and sheet-specific instructions to direct users on input approaches.
Organizational Contact Sheet	This sheet will be used to obtain the contact details of the entities providing the domestic and partner budget and expenditure data.
Data Entry – Domestic Inputs Sheet	<p>Programmatic Category (Domestic resources): This is a drop-down category. There are nine categories:</p> <ul style="list-style-type: none"> • TB prevention • Active case finding • Public-private mix • Other field activities • Supportive supervision, M&E, and review meetings

	<ul style="list-style-type: none"> • Training and mentorship • TB diagnostics procurement • TB drug procurement • Other procurements. <p>Programmatic categories should be selected in order and clustered together, i.e. all the 'TB prevention' entries together first, then all the "Active case finding" together second, and so on. This will allow for a more organized presentation and interpretation of the data provided.</p> <p>Project/Activity Description: This section provides additional details that explain or supplement the information provided in the programmatic category.</p> <p>Cost Input/Expensed Item: The programmatic categories' expenditures are broken down into expensed items. The expensed items are selected from the chart of accounts.</p> <p>Source of Fund: Entity providing funding for the activity.</p> <p>Implementing Agent: Resources are allocated to implementing agents, which include regional or city administration health bureaus and the MOH-E.</p> <p>Annual TB Budget during Selected Fiscal Year: The amount of resources budgeted for TB for that fiscal year by the national and/or regional government.</p> <p>Annual TB Expenditure during Selected Fiscal Year: The amount transferred from the funding source's account to the implementing agent's account in the selected fiscal year.</p>
Data Entry – Donor Inputs Sheet	<p>Programmatic Category (Partner resources): This is a drop-down category. There are seventeen categories:</p> <ul style="list-style-type: none"> • Case detection and diagnosis, multidrug-resistant TB (MDR-TB) • Treatment (MDR-TB) • Coordination and management of national disease control programs • Grant management • Community mobilization and advocacy (TB) • Stigma and discrimination reduction (TB) • Institutional capacity building, planning and leadership development • Program and data quality • Surveys • Quality of care • Case detection and diagnosis (TB care and prevention) • Engaging all care providers (TB care and prevention) • Key populations (TB care and prevention) - Children • Key populations (TB care and prevention) - Miners and mining communities • Key populations (TB care and prevention) - Mobile populations: refugees, migrants and internally displaced people • Prevention (TB care and prevention) • Treatment (TB care and prevention) <p>Programmatic categories will be selected in order and clustered together. For example, all the 'Treatment (MDR-TB)' entries will be together first, then all the 'Case detection and diagnosis (TB care and prevention)' entries will be together second, and so on. This will allow for a more organized presentation and interpretation of the data provided.</p>

	<p>Although these are Global Fund categories, they should be used to capture all TB donor funds (e.g., including USAID TB funds). Of note, to facilitate consolidation within the tracking template, the NTP has mapped the 7 domestic categories and these 17 donor (Global Fund) categories into the 5 TB NSP strategic objectives (see “Output by NSP Strategic Objective” tab, described below).</p> <p>Project/Activity Description: This section provides additional details that explain or supplement the information provided in the programmatic category.</p> <p>Cost Input/Expensed Item: The programmatic categories’ expenditures are broken down into cost inputs, which are adopted from the GF resource-tracking tool.</p> <p>Source of Fund: Entity providing funding for the activity.</p> <p>Implementing Agent: Resources are allocated to implementing agents, which include regional or city administration health bureaus and the MOH-E.</p> <p>Annual TB Budget during Selected Fiscal Year: The amount of resources budgeted for TB for that fiscal year by donor partners.</p> <p>Annual TB Expenditure during Selected Fiscal Year: The amount transferred from the funding source’s account to the implementing agent’s account in the selected fiscal year.</p>
Output by Intervention Sheet	Budget and Expenditure by Programmatic Category: This information is presented disaggregated by funding source category, i.e., domestic and external resources are automatically summed, summarized and graphed separately.
Output by NSP Strategic Objective Sheet	<p>Budget and Expenditure by NSP Strategic Objective: Budget and expenditures by NSP strategic objective are presented in aggregate for the selected fiscal year from domestic and external resources and disaggregated by funding source category.</p> <p>The programmatic categories for domestic resources and partner resources are mapped with the NSP strategic objective, as per NTP guidance. Based on this mapping aggregate budget and expenditure data by NSP strategic objective is generated. The mapping details can be understood by looking at the automatic calculation formulas used on this tab.</p>
Output by Source of Fund Sheet	Budget and expenditures are disaggregated by funding source category.

WAY FORWARD

NTP aims to use this tool to comprehensively track domestic and partner expenditures on the TB program. The tool will generate outputs to help NTP with annual budgeting and planning processes, identify and advocate for underfunded priority areas, and prepare for Global Fund or other partner co-financing negotiations.

Pilot Site Implementation and Scale-up

Once the NTP and SAEO endorse the tracking template, the tool will be piloted at the Oromia Regional Health Bureau and Sidama Health Bureau. The trial phase will provide valuable insights before full-scale implementation. The NTP team, with support from ongoing USAID/Ethiopia projects, will lead the pilot site implementation, with the MOH-E’s Finance Executive Office and the selected regional and city administration offices’ finance and TB focal persons as the main testers of the template.

For the pilot, a conference room pilot (CRP)-driven approach will be used in which the finance and TB focal personnel are allowed to use the template to carry out typical processes while they are provided

with parallel training and can validate the tracking template. Any issues or enhancement requirements will be raised during this process, and fixes will be made. Active participation from the end-users (i.e., the finance and TB program personnel) is required for the success of this implementation.

NTP plans to scale up the implementation to all regions and city administrations following the pilot and endorsement of the final version by the SAEO. NTP will work with SAEO and the Finance Executive Office to communicate the implementation to regional finance and TB focal persons. The NTP and SAEO teams will supervise the annual reporting from regions using the template. In parallel with the implementation of the TB resource-tracking template, active participation, and engagement in the development of the HFIS will be required to efficiently transition resource tracking for TB into the new system.

Integration with the Health Financing Information System (HFIS)

The MOH-E has started an initiative to digitize health resource tracking as part of the HFIS project. This should provide integrated, timely, and transparent health financing data to relevant stakeholders across the health system. The main objectives of the initiative are to ensure:

- Real-time tracking of health financing flows from federal to district levels
- Interoperability between health information and financial management systems
- An integrated view of budgeting, expenditure, service delivery, and health data
- Evidence-based planning, management, and monitoring of health resources, via systems that can generate insights as per the needs of health sector stakeholders and that connect investments to outputs, outcomes, and impact

The HS4TB team is currently engaged in conducting an initial assessment of HFIS design issues as a member of the HFIS technical working group and the HFIS technical team. The technical team has proposed an approach that involves examining decision-making processes across the financial planning cycle. The goal is to gain insights into the specific processes involved, who is involved in decision-making, what information they need, and where information comes from. The team will also assess the digital information systems, focusing on the digital information tools and systems, and their use. This includes analyzing both public financial management systems and the flow of funds, as well as the underlying data systems required. Informed by the assessment result, the technical working group will design and test the HFIS.

The TB tracking template is eventually expected to be replaced by the HFIS. In the meantime, in addition to meeting the current tracking needs of the NTP, the tracking template can be used to define expenditure codes and communicate the TB program's resource tracking needs for consideration and inclusion into the HFIS.

CONCLUSION

The TB Resource-Tracking Template is a crucial tool for effective tracking of TB budgets and expenditures in Ethiopia. The pilot implementation in the Oromia Regional Health Bureau and Sidama Health Bureau will be a significant step towards refining the template and ensuring it meets the needs of end-users. Integrating the template with the HFIS will provide real-time tracking of health financing flows, ultimately enhancing the transparency and efficiency of resource planning and use for TB and other health programs. The successful implementation of the template, along with its integration with

the HFIS, will pave the way for scaling up to all regions and city administrations in Ethiopia, ensuring effective and efficient TB expenditure tracking in the country.

ANNEX. TB RESOURCE-TRACKING TEMPLATE

The resource-tracking template can be downloaded as an Excel file from the USAID Development Experience Clearinghouse website:

<https://dec.usaid.gov/dec/content/Detail.aspx?vID=47&ctID=ODVhZjk4NWQtM2YyMi00YjRmLTkxNjktZTcxMjM2NDBmY2Uy&rID=NjM4NDE5>