FY 2023-24 One Plan

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Section 1: Introduction

With the launch of the new HSSP III in January 2023, the Ministry of Health of Malawi - along with all the key donors and partners - have committed to following the "One Plan, One Budget, One Report" approach. Malawi's health sector is highly dependent on external aid, with donors funding 55% of total health expenditure in 2018-2019.[1] From 2019 to 2022, there were 166 financing sources and 264 implementing partners supporting health activities throughout the sector,[2] contributing to fragmentation and inefficiencies in programming and service delivery. The proliferation of National Strategic Plans - increasing from 19 in 2013-2024 to 56 in 2019-2020 - has exacerbated these issues. Developed in response to these challenges, the "One Plan, One Budget, One Report" approach envisions a transition from specific Strategic Plans towards one broad, all-encompassing "One Plan" that will bring together the key activities and goals of the entire health sector.[3] The HSSP III establishes a framework for enabling the Government of Malawi to set its strategic priorities and for advancing joint planning of all health system activities. This cohesive plan for health programming will support the Ministry of Health, donors, and other partners in efficiently channelling the sector's limited resources to address priority needs for a resilient, equitable health system.

Whilst the HSSP III lays out an eight-year vision, an Implementation Plan is intended to be developed annually. Serving as the HSSP III's "One Plan," this will form the basis for the priorities to which the Government of Malawi, and each partner will remain accountable throughout the year. Complementary to this function, the "One Report" will define and assess indicators on the progress towards achieving each of the priorities within the One Plan.

The "One Plan" for 2023-2024 provides an overview of planned annual activities from eight stakeholders (seven key donors and the Government), amounting to $565 million USD.[4] The donors whose activities are represented in the One Plan include: CDC, FCDO, GFATM, GIZ, HSJF, UNICEF and USAID. Responses were not received from Gavi and the World Bank. While the "One Plan" for this first year of HSSP III implementation focuses on national-level outputs and contributions, future iterations will comprehensively bring together the priorities and resources of all levels of the health system.

This "One Plan" sets out the outputs and activities by each Pillar of the HSSP III. For each Pillar, activities are categorised as those that contribute to implementing one of the eleven "game-changer" reforms in the HSSP III and activities that contribute to other routine priorities of the health sector. To identify which priorities are supported by specific donors, funding has then been mapped to these activities, highlighting pathways for joint implementation. Additional donor-funded activities beyond those determined by the Ministry

[1] Ministry of Health. 2022. *Malawi National Health Accounts Report for Fiscal Year 2018/19.* Lilongwe, Malawi: Ministry of Health, Department of Planning and Policy Development.
[2] Ministry of Health. 2022. *Health Sector Resource Mapping Round 7*. Lilongwe, Malawi: Ministry of Health, Department of Planning and Policy Development.
[3] Ministry of Health. 2022. *Resource Mapping Studies Rounds 5, 6, and 7*. Lilongwe, Malawi: Department of Planning and Policy Development.
[4] The Government submission also includes various non-fungible funding such as salaries for the current establishment and ORT expenses for routine operations.

of Health have also been identified to improve visibility of health sector programming and support resource allocation towards government priorities, when possible.

The rest of this document is structured as follows: Section 2 outlines the vision and the use cases of the “One Plan,” Section 3 outlines the methodology used to develop the “One Plan,” Section 4 discusses the key findings of the “One Plan” at a high level and then in detail by each pillar of the HSSP III, Section 5 outlines the challenges faced through this process and recommendations for the “One Plan” process for future years, and Section 6 offers a conclusion for the 2023-2024 “One Plan.”

Section 2: Vision and use cases of the “One Plan”

The HSSP III’s vision of “One Plan, One Budget, One Report” sets the foundation for strengthening efficiency and accountability across the health system. Establishing the priorities for the health sector each year, the “One Plan” directs joint planning, implementation, and monitoring by the Ministry of Health, donors, and other partners. While subsequent years of the “One Plan” will incorporate major activities and funding sources at each level of the health system, this first year has focused on detailing national-level priorities, with learning used to inform planning processes in subsequent iterations. By detailing both key annual activities and the funding committed to supporting them, the “One Plan” thus advances integration, transparency, and accountability across the health sector.

Consolidating government and major external financing for the health sector, this document additionally serves as the backbone for the “One Budget.” With the goal of encouraging donors and partners to commit their financing to government priorities, the “One Budget” highlights immediate pathways for improved resource allocation and mobilization, while advocacy for transitioning to Government-to-Government and pooled funding channels continues. As the basis for the priorities that the health sector intends to accomplish in the year, the “One Plan” and “One Budget” both inform the “One Report,” which defines indicators, targets, and timelines for driving HSSP III reforms and objectives. With the goal of harmonizing monitoring and evaluation requirements across stakeholders, progress in achieving “One Report” components will be assessed by multi-layered review platforms - as well as pillar-specific technical working groups - for shared accountability across the health sector. Together, the “One Plan, One Budget, One Report” have the potential to transform the efficiency and effectiveness of the health sector, promoting the HSSP III’s goal of improving health outcomes, client satisfaction, and financial protection for all Malawians.

The first year of launching the HSSP III has served as an opportunity for learning from institutionalizing the “One Plan” process and has highlighted strategies to maximize its potential for shared implementation and monitoring. Delays in the timeline for producing the “One Plan” and the need to pivot the approach from resource mapping across high-level HSSP III objectives to government-led operational priorities have demonstrated ways to refine the process in subsequent years (see Section 5). However, this current “One Plan” document presents an important platform for improving the allocation of health sector resources and addressing urgent funding gaps during this year. Through this “One Plan,” unfunded government priorities have been identified for partner support, which will be critical for ensuring that HSSP III reforms meet crucial milestones and for strengthening core health

system functions. By underlining where partners have committed funding that falls beyond these government priorities, the document also indicates ways to improve allocative efficiency toward unfunded needs.

This “One Plan” is not only intended to support Ministry of Health Directorates and partners in outlining and funding their priorities for the year but has moreover been linked to opportunities for joint implementation and monitoring. The priorities outlined in this document will be shared with Pillar Technical Working Groups and reform-specific taskforces. Composed of Government leadership, donors, and other stakeholders, these bodies will use this information to conduct detailed work planning, mobilize support towards funding gaps, and communicate progress on implementation to the Ministry of Health Senior Management Team and HSSP III Steering Committee.

As the 2024-2025 fiscal year planning cycle commences, learnings from this first year of HSSP III operationalization will provide a framework for building an integrated, inclusive “One Plan” from the national to facility level. The focus of “One Plan” on encouraging donors to commit to government-defined priorities will inform updates to the district planning process, as well as the roll out of facility planning for the first time during the upcoming fiscal year. By bringing together implementing partners from both districts and facilities, this process will alleviate entrenched challenges in coordination faced at these levels, while building platforms for on-the-ground implementation and monitoring. While guided by the national HSSP III framework, district and facility planning will be incorporated within the central Ministry of Health’s planning in subsequent years. This combined “top-down” and “bottom-up” approach will result in a comprehensive “One Plan, One Budget, One Report” that drives progress towards HSSP III reforms and objectives for the entire health system.

Section 3: Methodology: developing the “One Plan”

In line with the commitment under the HSSP III of joint planning, this “One Plan” has been developed in conjunction with the Ministry of Health and key donors. To ensure that the Government has the scope to set its strategic priorities, this “One Plan” has been designed around the Ministry of Health’s leadership and prioritization of its key outputs under each pillar. Across all pillars, the respective lead directorate of the Ministry of Health has defined its key objectives, outputs, and activities for this one year period. These prioritized activities are categorised into:

- Reform priorities: activities that contribute to the implementation of the eleven “game-changer” reforms set out in the HSSP III.
- Non-reform priorities: other activities that are prioritized for this year, including all key routine activities that must continue to occur.

The HSSP III recognizes that the majority of Malawi’s health sector funding is channelled through nine donors and the Government of Malawi. Each of these 10 contributors, as well as other large donors, have thus been asked to map their plans and activities to the above prioritized reform and non-reform activities set out by the Pillar leads. Through this approach, the overall funding towards Government priorities - as well as financing towards any additional activities - was calculated. Most importantly, this “One Plan” has captured the

extent of unfunded activities that are prioritized by the Ministry of Health, supporting further efforts in efficiently allocating and mobilizing resources towards the Government of Malawi's vision for the health sector.

As part of this process, the following financing sources that contribute the highest amounts of funding towards the health sector were targeted for inclusion during the "One Plan" process:

Financing Source	Status
Ministry of Health	Submitted 2023-2024 health sector contributions
USAID	Submitted 2023-2024 health sector contributions
UNICEF	Submitted 2023-2024 health sector contributions
GIZ	Submitted 2023-2024 health sector contributions
HSJF	Submitted 2023-2024 health sector contributions
GFATM	Submitted 2023-2024 health sector contributions
FCDO	Submitted 2023-2024 health sector contributions
CDC	Submitted 2023-2024 health sector contributions
World Bank	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions. When possible, Ministry of Health Directorates indicated key priorities that this donor was supporting.
GAVI	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions. When possible, Ministry of Health Directorates indicated key priorities that this donor was supporting.
Global Health Informatics Institute	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions
KFW	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions
European Union	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions
Bill and Melinda Gates Foundation	Targeted for inclusion in "One Plan" but did not submit 2023-2024 health sector contributions. When possible, Ministry of Health Directorates indicated key priorities that this donor was supporting.

While not directly requested to submit their 2023-2024 health sector contributions, a range of additional donors and partners were identified as supporting priority activities by the Ministry of Health Directorates. These include CHAI, WHO, and the Kamuzu University of Health

Sciences (KUHES). Donors and the Government will remain accountable for effectively supporting, implementing, and monitoring these priorities as defined by the “One Plan.”

Section 4: Findings

Summary of key findings

Of the largest donors in Malawi that were contacted for the “One Plan” process, eight entities (identified in Section 2) submitted information on their financial contributions towards HSSP III strategic priorities and activities beyond the HSSP III for the 2023-2024 and 2024-2025 fiscal years. These submitting funding sources included the Ministry of Health and seven external donors. Financial contributions from an additional partner was included in the mapping. In addition to the eight donors who originally submitted their contributions, a further seven financing sources were identified during output mapping conducted with the Ministry of Health Directors. Across the Ministry of Health and external partners, financial contributions totalled to $565,320,484.46 for the 2023-2024 fiscal year. Across these 15 donors, a total of $545,250,973.46 in contributions were identified across the nine HSSP III pillars.[5] The amount of contributions disaggregated by pillar has been detailed below:

[5] In addition to this funding across pillars, an additional $20,069,511.00 was reported in project management staff salaries and overheads from external partners.

Pillar	Funding amount (USD)	Major financing sources and partners
Service delivery	$116,462,505.69	Ministry of Health, CDC, FCDO, GFATM, GIZ, CHAI, HSJF, USAID, and UNICEF
Social determinants of health	$22,280,922.09	Ministry of Health, CDC, GIZ, UNICEF, CHAI, HSJF, and USAID
Infrastructure and health technologies	$30,778,644.42	Ministry of Health, CDC, GIZ, GAVI, HSJF, USAID, UNICEF, CHAI, and World Bank
Human resources for health	$105,824,146.41	Ministry of Health, CDC, CHAI, GIZ, GFATM, FCDO, WHO, and USAID
Medical products and technology	$240,059,079.16	Ministry of Health, CDC, GFATM, GIZ, HSJF, UNICEF, CHAI, WFP, and USAID
Digital health	$11,090,696.63	Ministry of Health, BMGF, CDC, GIZ, UNICEF, and USAID
Research	$7,322,195.32	Ministry of Health, CDC, FCDO, CHAI, HSJF, and USAID
Leadership and governance	$9,582,746.24	Ministry of Health, FCDO, GFATM, UNICEF, CHAI, and USAID
Health financing	$1,850,037.50	FCDO, GIZ, HSJF, KUHES, USAID, CHAI, GFATM, and WHO

When considering the seven pillars with reforms for which output mapping was conducted with Ministry of Health Directorates,[6] 76.4% of government and external contributions are allocated to HSSP III reforms or other government priorities for the year. This percentage falls slightly to 70.2% when excluding Ministry of Health contributions. Across both Ministry of Health and external partner contributions, the pillars with the highest percentage of alignment between HSSP III priorities and funding contributions were Digital Health (95.9%), Medical Products and Technology (92.8%), and Human Resources for Health (91.8%). The Service Delivery Pillar (31.0%) and Health Financing Pillar (7.0%) showed the lowest percentage of alignment between financial contributions and HSSP III priorities. Since efforts

[6] This excludes Pillar Two: Social Determinants of Health and Pillar Seven: Research, which do not have associated HSSP III reforms.

are still ongoing with Pillar Technical Working Groups and HSSP III Taskforces to clarify donor contributions and ensure that all funding is captured by the “One Plan,” these figures could potentially shift. This nonetheless represents an estimate of overall alignment between HSSP III priorities and financial resources during the 2023-2024 year. Further details on contribution alignment with HSSP III priorities has been detailed below:

	Excluding Government contributions		**Including Government contributions**	
Pillar	**Funding amount aligned**	**Percentage aligned**	**Funding amount aligned**	**Percentage aligned**
1: Service Delivery	$14,811,079.10	15.6%	$36,106,116.18	31.0%
3: Infrastructure and health technologies	$19,853,928.27	75.5%	$24,332,121.42	79.1%
4: HRH	$33,317,222.25	79.4%	$97,153,995.04	91.8%
5: Medical products and technology	$205,576,936.70	92.2%	$222,686,192.72	92.8%
6: Digital Health	$10,564,718.75	95.9%	$10,635,023.36	95.9%
8: Leadership and Governance	$2,845,559.36	30.1%	$3,004,014.38	31.4%
9: Health Financing	$49,265.22	2.8%	$128,509.59	7.0%
Total	**$287,018,709.65**	**70.2%**	**$394,045,972.68**	**76.4%**

Out of the financing committed by the eight largest health sector funding sources, a total of 22.6% can be channelled through government financial systems at the national or district levels during the 2023-2024 fiscal year. However, this figure falls to just 5.1% when excluding Ministry of Health contributions. A similarly low percentage - 5.1% when including Ministry of Health contributions and 6.3% without - can be channelled through a donor pool fund, like HSJF, this fiscal year. Government channels of funding included the Ministry of Health, Ministry of Finance, University of Malawi College of Medicine, National Aids Commission, National Registration Bureau, and specified districts. Notably, the FCDO and GFATM highlighted that none of their funding could be channelled through government structures, whereas UNICEF indicated the highest percentage of funding could be

channelled through these platforms (75%). All of HSJF's financing is channelled through pooled mechanisms, followed by 30% of financing from the FCDO and 4% from UNICEF.

At 51.9% with Ministry of Health contributions and 63.7% without, the highest percentage must use discrete funding channels through local organizations, rather than through a pooled structure or using government structures. This includes funding from GFATM that is managed by the Programme Implementation Unit of GFATM and GAVI, as well as local branches of international organizations, like Save the Children, Last Mile Health, the Malawi Red Cross Society, and WaterAid. Finally, 20.3% of financing including Ministry of Health contributions and 24.9% excluding this source must use discrete funding channels through international organizations. The CDC (63%), GIZ (55%), and USAID (48%) contribute the highest percentage of their funding through international organizations. These percentage of financing by funding channel for fiscal year 2023-2024 has been detailed below:

Percentage of Donor Financing by Funding Channel		
	2023-2024	
Funding Channel	*Including Ministry of Health*	*Excluding Ministry of Health*
Government financial structures	22.6%	5.1%
Pooled funds	5.1%	6.3%
Local organizations	51.9%	63.7%
International organizations	20.3%	24.9%

Pillar 1: Service delivery

Service delivery forms the first pillar of the HSSP III. This pillar is centred around providing *"equitable access to and improving the quality of healthcare services"*. There are three key strategies under this pillar: (a) designing systems to create integrated platforms of care at levels, placing the client at the centre of service delivery; (b) promoting quality and client safety in healthcare service delivery at all levels; and (c) strengthening client-centred care and patient trust at all levels of care.

Reform 1: Integrated platforms of care

The **one** key reform under this pillar is the integrated platforms of care, which intends to transition from vertical disease programming to integrated platforms of care for service delivery at all levels of the health system. Under this reform, 17 primary outputs were identified for the 2023-2024 fiscal year. These focused on the following areas:

- Costing, prioritizing, and validating the health service packages, which outline the framework for these integrated platforms of care across health system levels.
- Launching the operationalization of the health service packages with pilot districts and facilities through training, mentorship, and monitoring.
- Channelling ground-level learnings to strengthen the implementation of the health service packages by institutionalizing feedback loops with District Health Management Teams and conducting an integration analysis with key stakeholders.

All of the 17 key reform outputs under this pillar that have been identified by the Ministry of Health and stakeholders **currently remain unfunded**. In addition to these outputs, another key priority that has been identified in this context is a consultancy to investigate potential activities, systems and protocols from vertical Ministry of Health Departments which can be integrated, planned, budgeted, implemented, monitored and reported together. This consultancy is being funded by HSJF and is expected to commence in August 2023 and be completed by December 2023.

Other priority outputs

In addition to the reform activities, this pillar includes a number of non-reform activities that are critical to service delivery and the health sector.

Quality of care

In particular, the Quality Management Directorate has established a number of focus areas for this year to strengthen the effective implementation of service delivery strategies. These span the following areas:

- Integrated Quality of Care standards: the activities under this include ensuring that the new integrated standards are disseminated and communicated. Furthermore, under this focus area, orientation workshops are included to ensure that national assessors and Quality Improvement mentors are trained on these standards. The Ministry of Health also envisions that 300 Health Facility Management Teams will be trained on these Quality Improvement standards, and a baseline assessment will be conducted to collect data on 300 health facilities' current standards. Zonal and national level learning sessions on the Integrated Quality of Care standards are also planned.
- People-centredness: Activities under this include training and supervision of the Hospital Ombudsman, conducting client-satisfaction surveys, and reviewing guidelines for developing service charters.

Both GIZ and the FCDO have committed to supporting components of these quality-of-care priorities. This includes a total allocation of $1,643,751.64 USD from the FDCO, which aims to improve quality of care among primary health care facilities in six districts. Channelled through UNICEF, UNFPA, and WHO, this funding will strengthen the ability of Quality Improvement Support Teams and Work Improvement Teams to adhere to the adopted nine standards for quality of care, using a phased and tailored approach based on facility's needs. Under FCDO support, Maternal and Perinatal Death Surveillance and Response activities will also be undertaken in targeted health facilities, and quality will be monitored across the six districts. Committing $272,224.45 USD to quality-of-care activities, GIZ has agreed to support the Ministry of Health's Quality Management Division implementing the

accreditation program, including financing for surveys, mentorship, and collaborative learning sessions. Under this funding, GIZ will also provide financial grants to hospitals in the Central West Zone to improve adherence to quality-of-care standards.

Other activities prioritised by the Quality Management Directorate include a leadership program at the district and facility levels, Infection Prevention and Control and Water, Sanitation, and Hygiene (WASH) policies, patient safety, Integrated Supportive Supervision, and the monitoring and evaluation of Quality of Care. Overall, the Government has allocated MK 120,000,000 (approximately $116,822.43 USD) towards improving the operations for the Quality Management Directorate.

Ministry of Health Headquarters - Other service delivery directorates

Various directorates and sections across the Ministry of Health Headquarters also focus on service delivery activities. These include: a) Nursing; b) Preventative services; c) Curative; d) HIV; and e) Reproductive Health. Overall, the Government budget has allocated MK 3,293,228,010 (approximately $3,206,024.15 USD) towards these various directorates, including funding for their routine activities. This funding consists of: a) MK 1,175,000,000 for the referral of medical cases abroad; b) MK 171,000,000 for ART co-financing under GFTAM commitments; and c) MK 150,000,000 towards repaying arrears to CDC. Particular service delivery activities highlighted by the Ministry of Health include implementing integrated community management of acute malnutrition and community case management within districts, while conducting supervision at central hospitals.

Tertiary care

Malawi has a total of five central hospitals and the newly opened Lilongwe Institute of Orthopaedics and Neurosurgery (LION). Across these six cost centres, a total of MK 18,351,034,071 (approximately $17,865,103.26 USD) has been allocated, without including funding for drugs and vaccines (which is reflected under Pillar 5). Of this, MK 6,952,274,424 has been allocated towards utility bills, cleaning services, and rations.

Sub-national support

To strengthen sub-national management and service delivery, USAID and UNICEF have committed an estimated total of $8,439,318.43 to support operational costs in district implementation plans, including non-health equipment, domestic travel, and other supplies.

Additional Service Delivery funding

Beyond the above priorities identified by the Ministry of Health, external donors have committed a total of $80,356,389.51 USD to the following other service delivery activities:

- *Strengthening sexual and reproductive health services.* The FCDO will support the delivery of coaching and mentoring on family planning, while HSJF will fund family planning outreach. The FCDO will also facilitate non-governmental organizations in delivering this care for adolescents and people with disabilities who are unlikely to access government facilities.
- *Establishing centers of excellence for clinical capacity building.* Supported by the FCDO, this will include building pathways for healthcare training and strengthening referral linkages across health facilities.

- *Reinforcing laboratory systems through targeted technical assistance.* CHAI is collaborating with the Ministry of Health to strengthen capacity to manage and implement laboratory programming supported by GFATM Resilient and Sustainable Systems for Health financing.
- *Expanding service delivery to remote areas by supporting payments to Christian Health Association of Malawi (CHAM) facilities.* In addition to directly providing these payments, HSJF has committed to strengthening the management of service-level agreements with CHAM facilities in hard-to-reach areas, including conducting monitoring and orientation on new tools.
- *Strengthening cervical cancer secondary prevention and HPV self-collection systems.* Supported by CHAI, these activities will include demonstrating effective HPV self-collection delivery models at community level for screening and linkage to treatment. CHAI also intends to generate community demand and awareness raising for cervical cancer secondary prevention and optimize laboratory systems for HPV testing, including self-collection.
- *Strengthening quality HIV and TB services along the care cascade.* GFATM, CDC, and CHAI will improve access to and uptake of HIV services to address the treatment gaps and sustain epidemic control. This will include implementing innovative service delivery models to optimize antiretroviral treatment and retention in care by increasing access to advanced HIV services, decongesting high-volume clinics, and enhancing the quality of clinical services. To guide program improvements and the identification of barriers to care, these partners will also support routine data collection and analyses at site level, which will help to prevent interruptions in care and support drug resistance monitoring. In particular, GFATM will engage CHAM facilities to offer voluntary medical male circumcision services, while training district staff and new and existing service providers on emerging new TB/HIV policies. As part of a patient-centred approach to HIV care, GFATM will promote the demand for viral load testing among patients. To strengthen HIV governance structures, CHAI has committed to supporting HIV Service Testing sub-group and taskforce meetings, while facilitating the development and implementation of HIV prevention policies. At the community level, GFATM has committed to financing orientations of Village Health Volunteers and Community Based Distribution Agents on condom promotion and distribution, while supporting contact tracing with pregnant and breastfeeding women with HIV who face interruptions in care. Similarly, CHAI has promoted community engagement in the design of and decision making for HIV services through support for a regional Community Advisory Board and a HIV Prevention Dialogue Committee. To support TB treatment completion, USAID has committed to funding nutritional support for drug-resistant TB patients.
- *Enhancing primary care delivery and maternal, neonatal, and child health services.* USAID and UNICEF will support the community management of acute malnutrition, integrated community case management, management of possible serious bacterial infections in infants, early childhood development, and the Integrated Management of Newborn and Childhood Illnesses, and other child health innovations. Targeting communities and health facilities, these activities will include providing technical support to districts, creating demand for health services in the community, and conducting quarterly integrated supportive supervision for central hospitals. GIZ has committed to facilitating the Reproductive Health Division and Central West Zone to hold maternal and perinatal death reviews and outreach clinics.

- *Improving malaria prevention, diagnosis, and treatment.* USAID will provide technical assistance and implementation support to the National Malaria Control Program and District Health Management Teams to facilitate improved malaria case management service delivery at the national and district levels. This will include activities to strengthen rational testing of fever cases, prompt and appropriate treatment for confirmed malaria cases, and malaria surveillance and data for decision making. With this funding, USAID will also support facility and community-based social and behavior change programming focused on improving demand for vector control, case management, and malaria-in-pregnancy prevention services. GFATM will facilitate the completion of quarterly district malaria data review meetings, while monitoring and evaluating the distribution of insecticide-treated nets.

Pillar 2: Social determinants of health

The second pillar of the HSSP III focuses on the social determinants of health. This pillar aims to "*strengthen preventive health services and the capacity to address social determinants of health to reduce the burden on the health care system."* The pillar's six strategies include: (a) driving wellness and healthy lifestyle practices in the community and health care system; (b) increasing access to safe food, WASH, housing and working environments; (c) strengthening occupational health; (d) strengthening vector and vermin control, pandemic, disaster preparedness response and surveillance of diseases; (e) strengthening intersectoral prevention and response to violence, discrimination, accidents, and injury; and (f) addressing health and health delivery effects of climate change.

There are no key reforms under this pillar, but major activities that will financed by donors during the 2023-2024 fiscal year include the following:

- Supporting the cholera response through surge staffing and other activities across affected districts.
- Promoting demand for health services in communities and strengthening patient-centered HIV care to adolescent girls and young women by addressing the structural drivers that fuel this group's HIV risk, including poverty, gender inequality, sexual violence, social isolation, and limited schooling.
- Rehabilitating and constructing new water, sanitation, and waste management points in health care facilities and communities, supporting community-led sanitation efforts, and promoting private-sector-led approaches to improve access to critical WASH commodities and services.
- Conducting entomological monitoring and indoor residual spraying for malaria.

Major donors and partners supporting this pillar include UNICEF, USAID, CDC, HSJF, CHAI, and GIZ. These activities together sum to $21,560,856.67 USD.

In addition to this, a total of MK 739,651,200 (approximately $720,065.42 USD) has been allocated towards this Pillar in the central level Ministry of Health ORT budget. These include routine activities from the Emergency Response, Environmental Health and Nutrition units, routine activities from DNHA, Pandemic Response activities from PHIM, and related activities from central hospitals.

Pillar 3: Infrastructure and health technologies

Infrastructure and health technologies is the target of the HSSP III's third pillar. Across five strategies, this pillar intends to "*improve the availability, accessibility and quality of health infrastructure and medical equipment at all levels of health care.*" Its strategies include: (a) strengthening evidence based management and construction new health infrastructure to meet burden of disease and service delivery needs; (b) upgrading, rehabilitating and maintaining health infrastructure to meet burden of disease and service delivery needs; (c) strengthening procurement, acquisition, distribution, and installation of equipment; (d) strengthening evidence-based management, maintenance and use of all equipment; and (e) strengthening transport and referral at all levels of healthcare delivery system.

The third pillar aims to undertake two reforms.

Reform 2: Decongesting central hospitals

The first reform is focused on decongesting central hospitals through upgrading urban health centres to community hospitals. During the 2023-2024 fiscal year, the Ministry of Health has identified the following four key outputs to be achieved:

- Conducting technical assessments of the 10 existing urban health centers that will be upgraded into community hospitals.
- Completing environmental impact assessments of the 10 health centers that will be upgraded.
- Developing architectural drawings and bills of quantity for the 10 health centers.
- Procuring consultants and contractors to upgrade the health centers, with construction to begin the 2024-2025 fiscal year.

While the technical assessments have been funded by HSJF, **the remaining three outputs remain unfunded.**

Reform 3: Unified digital medical equipment record management system

The second reform under pillar three intends to create a unified digital medical equipment record management at all levels of care with DHIS2 and interoperable with other health information systems. This digital system will cover a comprehensive range of equipment, including radiology and other complex items. The main output identified to achieve this reform is focused on developing and piloting the digital medical equipment record management system and ensuring that it is interoperable with the DHIS2. HSJF has committed funding to this priority output.

Other priority Infrastructure outputs

Beyond these reform outputs, the Ministry of Health identified a range of additional infrastructure priorities. These outputs are designed to support the completion of the following construction and infrastructure planning initiatives:

- Rehabilitating laboratories and other medical facilities at central and district hospitals and health centers, while upgrading rural health centers into community hospitals.
- Installing WASH infrastructure, including boreholes and incinerators.

- Building infectious disease centers at central hospitals and trauma centers along the M1 road.
- Constructing medical oxygen plants, vaccine stores, outpatient departments, wards, HIV services units, administration offices, and other facilities at central and district hospitals and health centers.
- Repairing laboratories for the Malawi Defense Force and health centers for the Malawi Police Service.
- Completing the construction of the National Cancer Center in Lilongwe, Phalombe District Hospital, a building to be used as the Malawi Health Informatics Center, and health posts nationally.
- Introducing liquid oxygen systems to eight Central and District Hospitals.
- Reviewing Capital Investment Plan with central and district stakeholder and holding quarterly Infrastructure Technical Working Groups.
- Developing infrastructure guidelines that will include safety standards for medical facilities.

The Government budget has allocated MK 4,600,000,000 (approximately $4,478,193.15 USD) towards the Infrastructure pillar. This funding is allocated towards five development projects: construction of the cancer centre, Domasi District Hospital, health posts, Phalombe District Hospital and designs of the Mponela hospital. In addition to the Ministry of Health, the major stakeholders supporting these priorities have been detailed in the below table:

Donor	**Contribution**
CDC	$1,250,000.00
GFATM	$8,403,500.00
HSJF	$6,253,476.76
CHAI	$3,338,073.71
GIZ	$111,612.00
GAVI	Contribution amount to be determined, but GAVI has been identified as supporting the construction of vaccine storage at the Central Medical Stores and three district and community hospitals
World Bank	Contribution amount to be determined, but the World Bank has been identified as supporting construction of MDR-TB wards and x-ray rooms, rehabilitating central hospitals and laboratories at selected facilities, and the building of trauma centers along the M1 road and a new infectious disease center at Queen Elizabeth Central Hospital

Despite these contributions, three key priorities under this pillar remain unfunded. These are:

1. Conducting quarterly TWGs;
2. Constructing Chikwawa, Dowa, and Rumphi District Hospitals;
3. Upgrading eight existing rural health centers into community hospitals;
4. Conducting quarterly TWGs for strengthened coordination and collaboration;
5. Completing data cleaning and analysis, printing, and dissemination for integrated Capital Investment Plan;

6. Finalizing, printing, and disseminating health infrastructure guidelines.

For the construction of the three district hospitals, unfunded activities for the 2023-2024 fiscal year include completing the feasibility studies, architectural drawings, and bills of quantity (estimated total cost of $1,130,000 USD). For the upgrading of rural health centers, unfunded activities for the 2023-2024 fiscal year include completing the environmental impact assessments, architectural drawings and bills of quantities, and procurement of consultants and contractors. If these activities are funded during this fiscal year, construction is then intended to begin in 2024-2025.

Other priority Health Technologies outputs

In addition to the above Infrastructure outputs, the Ministry of Health has detailed nine priorities for strengthening the availability and functionality of health technologies. Among these identified priorities, partners have committed funding to the following three:

- Improving radiology service delivery through the procurement and installation of specialized equipment, such as computed tomography scanners and magnetic resonance imaging. The GFATM and World Bank have committed to funding this priority.
- Increasing access to radiology services at the primary level of health care by installing digital x-ray machines at certain community hospitals and urban health centers. USAID and the World Bank have agreed to support the National TB and Leprosy Elimination Program (NTLEP) in implementing this priority.
- Strengthening the maintenance and availability of radiology equipment for continued service delivery. Through the NTLEP, the GFATM intends to support the procurement of one-year service contracts for 12 static digital x-ray machines.

The following **six health technology priorities for this fiscal year remain unfunded**:

- Renovating radiology infrastructure at community hospitals to support the installation of radiology equipment for improved access to quality diagnostic services.
- Conducting specialized training of radiology staff in areas including sonography, nuclear medicine, magnetic resonance imaging, computed tomography, and radiotherapy.
- Integrating the radiology information system into existing health management information platforms for efficient data management and patient monitoring.
- Launching the Radiology Operationalization Plan 2023-2028, which will provide a framework for the implementation of radiology policy.
- Procuring further service contracts for targeted complex radiology equipment to support optimal performance and undisrupted service delivery. While HSJF has committed to supporting a service contract for the computerized tomography machine at Queen Elizabeth Central Hospital, additional funding is needed to cover the range of required radiology equipment.
- Establishing a national quality assurance program for quality radiology service delivery.

Additional Infrastructure and Health Technologies funding

Beyond the above priority outputs identified by the Ministry of Health, donors have committed funding to supporting a range of additional Infrastructure and Health Technologies activities during the 2023-2024 fiscal year. Worth a combined total of $6,446,523.00 USD, these include the following contributions:

- **UNICEF:** Supporting capital and health care infrastructure with solar energy solutions, while procuring new cold chain and immunization equipment.
- **USAID:** Strengthening procurement, acquisition, distribution, and installation of equipment for tertiary health facilities, including procuring undefined medical and non-medical equipment.
- **CHAI:** Conducting an assessment on health facility solar electrification, with the goal of improving access to reliable energy sources across the health sector.
- **GIZ:** Supporting additional renovations at seven health facilities.

Pillar 4: Human resources for health

The fourth pillar of the HSSP III focuses on human resources for health. This pillar aims to *"Improve the availability of competent and motivated human resources for health for quality health service delivery that is effective, efficient and equitable."* Under this pillar, there are five strategies: (a) enhancing the recruitment, selection, deployment and equitable distribution of human resources for health; (b) optimizing production at training institutions and strengthening coordination between the institutions and health sector needs; (c) improving staff development strategies, policies, procedures and practices for human resources for health; (d) strengthening and enforcing performance management policies, procedures and practices; (e) instituting and providing competitive remuneration, benefits, and working conditions for human resources for health; and (f) generating reliable data and building capacity for evidence-based health workforce decision-making through digital innovations and technological platforms for human resource management.

This pillar intends to implement three reforms, with an estimated $1,733,820.75 USD committed to these areas from external partners.

Reform 4: Implementing a Performance Management System

The first human resources for health reform envisions to develop and implement a robust performance management system that is linked to implementation of strategic and operational plans at the national, district, facility levels and aligned with health worker promotions, incentives, and disciplinary systems. For the 2023-2024 fiscal year, the Ministry of Health and partners intend to undertake the following major outputs under this reform:

- Supporting the launch of the performance management system nationally by holding workshops to orient stakeholders. CHAI has committed to supporting this national-level orientation with the Ministry of Health Directors, Deputy Directors, and other senior staff members. CHAI will also support an orientation meeting on the performance management system with the Ministry of Health Senior Management Team.

- Operationalizing the performance management system across all 29 districts and ensuring that each district completes at least one round of performance appraisals, based on visits conducted by Ministry of Health and partner verification committees. In Blantyre and Phalombe Districts, these activities are being supported by CHAI, while GIZ is supporting Ntcheu, Mchinji, Dedza, and Lilongwe Districts. USAID has committed to supporting the roll out of the performance management system in Mangochi and Zomba Districts, with the goal of also funding these activities in Mulanje and Chikwawa Districts.
- Digitalizing the performance management system. GIZ has committed to supporting this activity.
- Upgrading the iHRIS platform. USAID is supporting this activity through its Government-to-Government programming in Zomba and Mangochi and through GAIA Global Health in Mzimba South, Kasungu, Dowa, Lilongwe, Chikwawa, Blantyre, Thyolo, and Mulanje Districts. In addition, WHO has committed to funding this activity in Chitipa, Karonga, Rumphi, Mzimba North, Nkhata Bay, Likoma Districts, and CDC will support Mchinji, Dzeza, Ntcheu, Nkhotakota, Salima, and Ntchisi Districts.
- Developing a set of incentives for the performance management system, which will begin with targeting the districts and be expanded to include the Ministry of Health headquarters and central hospitals.
- Operationalizing the performance management system at the five Central Hospitals by training management staff up to the Heads of Section, facilitating cascading training with other staff, and ensuring that at least one round of performance appraisals are conducted based on verification committee visits.
- Supporting cascading training workshops with health facilities in Mzimba North, which will be led by District Health Management Team representatives who have already been trained in PMS during the district roll out.
- Holding sessions with stakeholders implementing the performance management system to review progress and share lessons learned. GIZ, USAID, and CHAI will support their respective districts in participating in these sessions, which will also be rolled out to the Ministry of Health headquarters and central hospitals as the performance management system becomes operational at these levels.

The major partners supporting these activities are USAID, GIZ, and CHAI. Through USAID's Global Health Supply Chain Program-Procurement and Supply Management project, the Medical Products and Technology pillar also intends to implement a systematic performance management system for supply chain staff by facilitating the assessment and review of related supervision policies, highlighting the need for strong coordination and collaboration in operationalizing this reform across HSSP III pillars. While the roll out of the performance management system (including orientation workshops) will be supported by these partners in 10 districts, funding is still required to roll out this reform in the 19 remaining districts and the five Central Hospitals. Activities to develop incentives for the performance management system and learning exchange sessions with the Ministry of Health headquarters and central hospitals remain unfunded. Similarly, funding is still required to support the development of the PMS module for iHRIS in seven remaining districts, as well as cascading training in Mzimba North to begin the PMS roll out with health facilities.

Reform 5: Health workforce optimization

The second of these reforms aims to optimize evidence-based human resources for health production, recruitment and deployment to match the supply and demand of health workers to deliver essential health services. Under this second human resources for health reform, the following outputs were identified for the 2023-2024 fiscal year:

- Undertaking a consultancy to review health system cadres and identify areas for optimization. USAID has committed to supporting this output.
- Incorporating all paper-based staff returns into the Integrated Human Resources Information System (iHRIS). USAID is supporting this activity through its Government-to-Government programming in Zomba and Mangochi and through GAIA Global Health in Mzimba South, Kasungu, Dowa, Lilongwe, Chikwawa, Blantyre, Thyolo, and Mulanje Districts. In addition, WHO has committed to funding this activity in Chitipa, Karonga, Rumphi, Mzimba North, Nkhata Bay, Likoma Districts, and CDC will support Mchinji, Dzeza, Ntcheu, Nkhotakota, Salima, and Ntchisi Districts.
- Increasing financial support for human resources for health to improve the absorption of existing graduates, reduce vacancies at health facilities, and strengthen pre-service training. To achieve this goal, advocacy meetings will be held with the Ministry of Finance, Department of Human Resource Management & Development, and donor community. CHAI has committed to supporting these activities.
- Completing an analysis to match pre-service programmes with the Ministry of Health's staff establishment. This output is currently unfunded.
- Amending the functional review establishment figures in five districts to support the evidence-based deployment of health workers. While CHAI will provide technical assistance for functional review amendment, further funding is required to undertake this activity.
- Conducting an analysis to estimate human resource for health needs to deliver the integrated health service packages at the primary, secondary and tertiary levels. CHAI will support this output.
- Holding meetings with training institutions and the Ministry of Education to discuss how to improve alignment between training and needs. This output is currently unfunded.

- Revising and disseminating the Ministry of Health's Human Resources Deployment Policy to all districts. CHAI will support the revision of the Deployment Policy, but funding is still required to support the dissemination of this policy.

In addition to these reform activities, the Medical Products and Technology pillar has indicated related health workforce optimization priorities. This includes facilitating a staffing assessment that defines human resources needs and ensuring that there is adequate staffing for implementation of Malawi National Supply Chain Transformation Plan activities. To cohesively optimize the health workforce in Malawi and avoid fragmentation of these efforts, implementing this reform will require robust collaboration across pillars and programs for a sector-wide approach to staff production, recruitment and deployment.

Reform 6: Integrated in-service CPD

The third human resources for health reform aims to develop and implement an integrated continuing professional development (CPD) system and harmonized in-service training curriculum to drive efficiencies and to ensure health workers have the competencies to deliver essential health services. Major outputs under this reform include the following activities:

- Convening stakeholders to begin planning the process of harmonizing in-service training and CPD.
- Developing and piloting the harmonized CPD policy in two districts to assess feasibility. Following this pilot, relevant updates will be made to the CPD policy, which will then be disseminated. This pilot is being funded by GIZ.
- Supervising the implementation of the CPD Policy and conducting regulatory inspections at the zonal level.
- Developing an interactive CPD online curriculum, including creating three online CPD modules, and translating face-to-face learning modules into online versions for efficient resource usage. The Quality Management Directorate and the Digital Health Division are developing this interactive curriculum with the support of Diabetes Compass.

In addition to the Ministry of Health and the other aforementioned partners, key stakeholders supporting harmonized CPD and in-service training are GFATM and FCDO.

Other priority outputs

Beyond the three human resources health reforms, the Ministry of Health and partners have identified additional priority outputs aligned with the HSSP III strategies under this pillar. With an estimated $31,583,401.50 in external funding, these outputs cover the following areas:

- Supporting salaries to maintain existing staff and recruiting prioritized cadres aligned with the Health Benefits Package. While the Ministry of Health, USAID, GFATM, and CDC intend to financially contribute to this priority, **significant vacancies at health facilities indicate the substantial need for additional support for health care worker salaries.**
- Increasing the availability of scholarships and high-quality faculty, infrastructure, and equipment. GIZ and the CDC have committed to contributing to this priority.

- Recruiting, equipping and scaling up training of Health Surveillance Assistants. GFATM has committed to supporting this priority.
- Recruiting and improving the quality of pre-service training for Community Midwifery Assistants. GFATM has committed to supporting this priority.
- Developing the human resources retention policy. This priority remains unfunded.
- Holding quarterly technical working group meetings and developing the human resources for health operational plan that captures the above reform and non-reform priorities. GIZ, WHO, and CDC have agreed to support workshops and other activities under this priority, while CHAI is providing technical assistance.

The Government's funding towards human resources is mostly allocated towards supporting salaries. The overall allocation towards salaries in this financial year is MK 64,848,133,088 (approximately $63,130,970.61 USD). In addition to this, the Government has allocated a total of MK 725,000,000 (approximately $720,065.42) towards activities prioritised under the HRH pillar. These include a vacancy analysis, IHRIS-HRMIS integration, review of HRH retention strategies, deployment policies, and motivational factors, public health sector training committee meetings, the enrolment of the performance management system, supporting the recruitment of prioritized cadres, and supportive supervision visits to training institutions. This overall HRH ORT budget also includes a budget for training its health workers and staff amounting to MK 655,000,000.

Additional Human Resources for Health funding

Beyond these above Ministry of Health priorities, two donors have committed a total of $8,670,151.37 in funding for other Human Resources for Health activities. USAID intends to support the salaries of clinical instructors and contribute to the existing Human Resources Management Information System. This partner has also committed to training additional frontline health workers to improve the availability of health workers on the market, which will include providing fellowships to those that have graduated to enhance their permanent employment and absorption into the system. In addition, UNICEF has agreed to train 600 nurses for the cholera response and support Lilongwe Technical College in building the capacity of cold chain technicians.

Pillar 5: Medical products and technology

Focusing on medical products and technology, the fifth pillar of the HSSP III aims to *"improve the availability, quality, and rational utilization of medicines and related medical supplies, balancing among the 3 P's: patients, products, and personnel."* The seven strategies under this pillar include: (a) enhancing data-driven quantification and forecasting processes to inform best-value and flexible procurement of medicines and commodities to deliver health services both within and beyond the Health Benefits Package; (b) improving warehousing and distribution infrastructure, practices, and processes to maintain product quality and shelf life; (c) increasing rational drug use and deter and prevent pilferage at all levels; (d) improving medicine quality through increased quality assurance capacity including testing, auditing, and licensing; (e) harmonizing and expanding the implementation of information systems to improve end-to-end (e2e) visibility in the pharmaceutical supply chain; (f) improving capacity to oversee, supervise, and coordinate across all supply chains

and stakeholders; and (g) developing procedures and the establishment of temporary mechanisms that adapt to predict, detect, and respond to emergencies.

Reform 7: Supply chain transformation

There is one key reform under this pillar of the HSSP III. The reform aims *"to identify and address inefficiencies at the procurement, warehousing, distribution and utilization stages of the supply chain system for medicines and medical products."* This reform focuses on three key areas: (1) harmonizing and digitalizing quantification and tracking system for medicines and consumables to achieve a data-driven ordering and supply chain at all levels of decision making; (2) integrated planning, coordination, management, and monitoring and evaluation activities of the supply chain; and (3) working towards greater systems integration through CMST by 2030. This reform is further supported by the Master National Supply Chain Transformation Plan 2030.

Key activities that are prioritized by the MoH under this reform include:

- *Harmonizing and digitalizing quantification and tracking systems:* This will involve developing and standardizing quantification tools, including reviewing, identifying and introducing standard data cleaning processes and guidelines. Furthermore, training will be undertaken on the new quantification methods with District Health Offices, and Quantification Technical Working Groups will be held quarterly. Enterprise resource planning systems will be adapted to record instances of short supply.
- *Promoting efficient procurement and stock management:* This will include re-engineering procurement by assessing the need to include the procurement of medical equipment within the Central Medical Stores Trust budget. Root cause analyses will also be coordinated to determine the factors that create waste reduction strategies at facilities.
- *Integrated planning and distribution:* This will include revising existing networks to improve commodity distribution, which will involve evaluating and adjusting the fleet of vehicles with the goal of consolidating loads to health facilities. The total orders received over a three-month period will be analyzed to determine the optimal cadence of delivery. In addition, delivery route structures will be established to match volumes to the types and capacity of vehicles, while dynamic scheduling and journey planning, rather than fixed-route planning, will be implemented to maximize distribution efficiency. To promote standardized and harmonized implementation of supply chain systems, standard operating procedures will be adapted and operationalized, and integrated key performance indicators will be identified for national-level reporting. As part of integrated planning at all levels, health facilities will be supported in updating and drafting relevant guidelines (e.g. the Essential Medicines List).
- *Operationalizing digital platforms for supply chain integration:* The major priority under this area includes defining, developing and implementing the Master Health Product Registry platform. As part of this activity, nomenclature will be systemized across other systems, and data quality of this system will be assessed. This will involve procuring, designing and implementing inventory and warehouse management systems, including for community health commodities. These new systems will be designed to be interoperable with each other and across existing

data platforms, like DHIS2. Standard operating procedures will be reviewed and developed to support interfaces across systems.

While USAID, GFATM, CHAI, and WFP have committed an estimated $9,932,185.12 to supporting many of the above activities, key priorities still require further funding. These unfunded priorities include:

- Establishing Quantification Technical Working Group meetings.
- Developing standard data cleaning processes to improve data quality inputs for forecasting. While UNICEF has committed to facilitating national-level capacity building of data clerks on data quality for OpenLMIS, this specific activity on creating standard data cleaning processes was indicated as unfunded by the Ministry of Health.
- Ensuring that instances of short supply are recorded in the enterprise resource planning system and reviewing standard operating procedures to support interfaces with this platform.
- Procuring a warehouse management system.
- Develop modules for the Facilities Supply Chain Information System and the National Supply Chain Information System to transfer core data into DHIS2 for integrated supply chain information platforms.

Other priority outputs

In addition to activities focused on integrated supply chain transformation, further priorities identified by the Ministry of Health include the following:

- Strengthening financing for supply chain systems. This includes advocating with the government and partners to support the recapitalization of the Central Medical Stores Trust (CMST), while increasing the share of budget available for purchasing medicines outside CMST.
- Enhancing procurement processes by implementing a document management system and identifying prime vendors.
- Supporting local manufacturing for high-demand and use medicines by conducting a feasibility study on constructing a plant in Malawi.
- Beginning the process of establishing a dedicated Supply Chain Unit within the Ministry of Health by conducting a supply chain skills assessment with staff.
- Bolstering the decisive, strategic, and effective delegation of authority to the CMST by reviewing, developing, and implementing relevant policies.
- Improving commodity storage. These activities will involve evaluating the need for additional storage space based on anticipated population growth and increased order filling. The procurement of storage materials will also help to strengthen waste management and prevent theft. As part of these theft prevention efforts, the investigation of these issues will be decentralized to District Councils.
- Procuring essential drugs and equipment from the Health Benefits Package and Standard Equipment List. This includes family planning commodities, ARVs, and HIV diagnostic tests.

The Ministry of Health has allocated a total of MK 17,574,627,776 (approximately $17,109,256.01 USD) towards this pillar across both Central Hospitals and Headquarters. Of

this, from the Headquarters budget, MK 1,600,000,000 is allocated towards vaccines (MK 1,100,000,000) and family planning commodities (MK 500,000,000). From the Government budget allocated to Central Hospitals, a total of MK 14,974,322,016 has been allocated towards the procurement of drugs, blood, vaccines, and other medical supplies and commodities.

In addition to the Ministry of Health, the major partners supporting these priorities include USAID, GFATM, HSJF, and CDC, who have committed an estimated $195,644,751.58. However, **funding is still required to procure the storage containers, scales, and locks** needed to strengthen waste management and prevent theft.

Additional medical products and technology funding

Beyond the above priorities, the following donors have committed to funding additional medical products and technology activities:

- **GFATM:** This partner has agreed to provide direct support to supply chain activities, including procuring personal protective equipment for COVID-19 prevention and warehousing and distributing commodities to health facilities. In addition, GFATM will support the formulation of Pharmacy and Medicines Regulatory Authority (PMRA) regulations and conduct supply chain audits for commodities produced with GFATM funding in health facilities.
- **USAID:** Like GFATM, USAID has committed to storing and distributing commodities procured by the United States Government and partners to health facilities, including transporting EPI supplies from districts to health facilities. As part of this work, USAID will support pre-fabricated storage maintenance and conduct bi-monthly spot checks to monitor distribution to service delivery points. To track commodities in response to emergencies, USAID has agreed to provide OpenLMIS support. Related to its aforementioned work to build digital supply chain systems, USAID will train Ministry of Health users on the National Products Catalogue (NPC) tool and launch an NPC application. At the national level, USAID will collaborate with the Ministry of Health to promote supply chain partner coordination, including implementing the Malawi Supply Chain Transformation Plan. This partner will also support the PMRA and the Ministry of Health's Health Technical Support Services to improve the quality of pharmaceutical services, such as through strategic planning, pharmacovigilance, and expedited importation and post-marketing surveillance. Lastly, USAID has committed to provide technical assistance to the Drug Theft Investigation Unit to develop a risk management plan and conduct semi-annual risk management site visits.
- **HSJF:** This partner has committed to procuring commodities for the cholera response.
- **CHAI:** This partner has committed to supporting the implementation of the hormonal intrauterine device implementation plan, including the development and operationalization of a monitoring and evaluation plan for these devices. To expand access to family planning products further, CHAI will support the establishment of a Reproductive Health Market Stewardship Group and bi-monthly commodity distribution team meetings. To facilitate the roll out of blood-based HIV self-testing, CHAI will collaborate with the Ministry of Health to develop the national HIV testing service implementation plan, with well-defined distribution channels for self-testing kits. Lastly, CHAI will lay the foundation for introducing lower-dose, easy-to-use

injectable contraception to the private sector, while conducting a landscape analysis on long-acting injectable cabotegravir.

- **GIZ:** This donor has committed to supporting Kasungu, Ntchisi, Salima and Dedza Districts to deliver critical medical supplies, including vaccines, to hard-to-reach health facilities through drones.
- **UNICEF:** This partner has agreed to support the procurement and management of basic community health supplies and commodities, such as job aides, for areas including nutrition and WASH.

Pillar 6: Digital health

Digital health underpins the HSSP III's sixth pillar. The objective of this pillar is *"to develop a sustainable and harmonized country led digital health system that covers all areas of service provision and enables efficient delivery of health services at all levels of the health system."* This pillar extends across six strategies. These strategies include: (a) improving the coordination of digital health investments to increase efficiency; (b) establishing a reliable information and communications technology (ICT) infrastructure that enables the utilization of digital health systems; (c) building the capacity of clients, communities, health care workers, and information technology personnel to participate in and benefit from digital health interventions; (d) leveraging technology to increase access to and quality of service delivery; (e) improving the security of information and ICT systems; and (f) promoting continuity of care through the shared health record.

Reform 8: Scaling up the Electronic Health Record system

The one reform under this pillar is designed to "scale up and improve the performance of the shared Electronic Health Record (EHR) in all health facilities and ensure interoperability with the DHIS2 and other health information systems." In order to achieve this reform, the Ministry of Health and partners have identified seven priority outputs that they intend to accomplish across the following areas in the 2023/24 financial year:

- Constituting a multi-stakeholder development team and creating co-development guidelines to support software development for the EHR system.
- Launching the EHR system for reproductive, maternal, neonatal, and child health (RMNCH) and the outpatient departments (OPD) by completing the systems specifications documents for these modules, developing their hospital-wide EHR systems, and deploying them at Queen Elizabeth Central Hospital in Blantyre.
- Holding quarterly TWG meetings – as well as quarterly meetings with the hospital-wide sub-TWG – to guide the implementation of the EHR system.

Major external stakeholders who have committed to supporting these priorities include GIZ and CDC, with an estimated $8,523,200.00 USD allocated to this reform (in addition to financing contributed by the Ministry of Health). However, there is still a funding gap of an estimated $100,000 USD to procure hardware for implementing the RMNCH and OPD components of the EHR system at Queen Elizabeth Central Hospital.

Other priority outputs

Other key priorities outside of the reform activities include:

- Maintaining the OneHealth surveillance platform. This is being funded by USAID, CDC, BMGF, and GIZ.
- Operationalizing the integrated Community Health Information System (iCHIS). UNICEF has committed to supporting the development, deployment, and roll out of iCHIS, including promoting improved data collection, analysis and visualization, feedback provision, and interoperability among digital platforms. This includes designing the iCHIS platform, procuring tablets, training Health Surveillance Assistants and Senior Health Surveillance Assistants, monitoring and reporting, and conducting supervision of the system. Additionally, the Ministry of Health will support the supervision of this system.
- Managing HMIS servers and conducting training with faculty staff. This is being funded by the Global Fund, USAID, CDC, BMGF, and GIZ.
- Developing a digital system for SLAs. HSJF has committed to funding this output.
- General maintenance of servers. This is undertaken by the current staff within the Digital Health Division.

External donors have committed an estimated $2,041,518.7 to these activities, while the Ministry of Health Government budget has allocated MK 72,216,902 ($70,304.62 USD) of their funding towards the Digital Health department. This funding is allocated towards activities that include enabling and utilising the teleconsulting system, meetings to develop the EHR concept and implementation, EHR TWGs, disseminating the digital health policy, capacity building for digital health staff, supervision of iCHIS implementation, and updating the Master Health Facility Registry information.

Additional Digital Health funding

Beyond these contributions towards the HSSP III Digital Health reform and government priorities, donors have committed a total of $455,673.27 to supporting the following activities:

- **CDC:** Supporting the implementation of systems that promote data use through transformation of data from a central data repository to data structures that are accessible and analyzable for government, CDC, and stakeholders.
- **GIZ:** Facilitating the Central West Zone to strengthen standard processes for data collection, generation and use.
- **CHAI:** Supporting the Ministry of Health to develop and roll out new HIV testing service data tools, including new registers and ScanForm technology.
- **USAID:** Providing targeted support to the Digital Health Division and the Central Monitoring and Evaluation Division, with the goal of building Information and Communication technology infrastructure at the central level and in select districts.
- **USAID:** Supporting the Central Monitoring and Evaluation Division to improve the use of the data for decision-making.
- **USAID:** Providing specific technical assistance in governance stewardship of the digital health ecosystem, including interoperability of fragmented systems to enhance efficiencies.

Pillar 7: Research

The seventh pillar of the HSSP III aims *"to promote and coordinate the conduct of health research in order to generate high quality evidence required to inform the development of health and health care delivery".* This pillar is comprised of five strategies: a) to build research capacity in public, private, and academic institutions; b) to achieve the development of evidence based policies in health; c) to access the relevant portals for research funding and ensure that health research in Malawi is adequately funded; d) to strengthen the sharing and accessibility of data across all systems; and e) to effectively monitor and evaluate HSSP III.

While there are no reform activities under this pillar, donors have committed to contributing a total of $7,035,177.98 to support the following research and monitoring and evaluation activities under this pillar:

- HSJF and FCDO have both committed to partnering with HEPU to improve the quality, generation, and accessibility of health economics research.
- CDC has committed to undertaking data analysis on routinely collected survey and surveillance data to support the detection of outbreaks.
- CHAI has agreed to conduct a longitudinal study on differentiated service delivery models for HIV testing and treatment services and disseminate findings. Additionally, CHAI will support the Ministry of Health to improve the visibility and use of HIV testing service data for decision-making. This will include strengthening feedback loops and the ownership of data across national, sub-national, and facility levels.

A key priority for this financial year for the Ministry of Health is to engage a consultant to build upon the M&E matrix in the HSSP III and develop specific indicators, definitions and methods of measuring these indicators. It is envisaged that these indicators will form the basis of the One Report in future years, and enable the Ministry of Health and its partners to effectively monitor and evaluate the implementation of the HSSP III through both, mid-year and annual reviews. **This activity is currently unfunded.**

The Public Health Institute of Malawi (PHIM) has allocated MK 203,331,000 (approximately $197,946.85 USD) towards research activities from the Ministry of Health national budget. In addition to this, central hospitals have also allocated funding towards research equivalent to MK 40,693,217 (approximately $39,615.67 USD). For monitoring and evaluation activities at headquarters level, the Central Monitoring and Evaluation Division at the Ministry of Health has allocated funding of MK 50,800,000 (approximately $49,454.83 USD) towards other routine M&E activities.

Pillar 8: Leadership and Governance

The objective of the eighth pillar under the HSSP III is *"to enhance effectiveness of leadership and governance at all levels of the health sector."* Four strategies underpin this pillar: a) Developing and implementing the One Plan, One Budget, One M&E to strength alignment and harmonization of donor and Government funds; b) Strengthening policies, guidelines and frameworks; c) Enhancing financial management to strengthen the

accountability of funds; and d) Improving governance, including stakeholder oversight, coordination, and implementation at all levels of service delivery.

There are two reforms under this pillar, with an estimated $2,697,293.36 USD committed by external donors for these priorities.

Reform 9: One Plan, One Budget, One M&E

The first reform intends to reduce fragmentation and promote harmonization within the health sector by operationaling “One Plan, One Budget, One M&E” from the national to the district and facility levels.

To strengthen Ministry of Health oversight into the overall health sector budget and activities planned for this year, a “One Plan, One Budget” tool designed to collect information on partner contributions was sent to the largest donors. Given that this was the first year of the One Budget tool, there were several challenges with the usability of the tool. These have been outlined in the next section.

To respond to these challenges, a new process is being designed for next year, with the goal of promoting robust Ministry of Health and partner planning that will create the foundation for successful implementation. Further details on this revised process is outlined in the next section, and CHAI is providing technical support with this activity. The design of the revised national “One Plan, One Budget” tool and the analysis of the submissions will be led by the Department of Planning and Policy Development with technical assistance from CHAI, but this activity is not expected to require funding. However, in-depth orientation sessions with donors and the planning and the budget leads of all pillars will be held before the next fiscal year to facilitate the utilization of this revised tool. **This orientation activity is currently unfunded.**

The “One Plan, One Budget, One M&E” reform is envisaged to capture the priorities and resources of each level of the health system, requiring effective operationalization at the subnational level. As part of this process, CHAI is providing technical assistance in revising the District Implementation Plan tool to align with the HSSP III and incorporate facility-based planning for the first time. To support the development of these plans, the Ministry of Health intends to conduct a training-of-trainers session with the districts. Districts and health facilities will then be assisted in completing the planning tools, including convening partners to map and align resources towards health sector goals. Districts will be facilitated in operationalizing these plans through District Implementation Plan reviews. To continue to strengthen the District Implementation Plan process in future years, CHAI is also conducting an impact evaluation of subnational planning in Blantyre District. In addition to CHAI and the Ministry of Health, the FCDO and UNICEF have committed to supporting subnational planning, **yet key priorities remain unfunded. These include the training-of-trainers workshop with districts, the development of district implementation plans in sites not covered by these partners, and facility planning support.**

To ensure that the “One Budget” is successfully implemented by Year Three of the HSSP III, the Ministry of Health has prioritized the development of the framework and concept for the

Multi-Donor Fund. While the FCDO has committed to supporting management costs for the HSJF, **further technical assistance might be required to create this Multi-Donor Fund framework. This technical assistance is currently unfunded.**

To operationalize the “One Report”, a new mid-year process and Joint Annual Review process are being designed. Together, these processes will advance joint accountability towards “One Plan” priorities across the health sector. **These activities are currently unfunded.**

Under these strategies for operationalizing the “One Plan, One Budget, One Report,” additional technical assistance needs have been identified, and **this support currently remains unfunded**. Activities that could be supported by this technical assistance include promoting government-led stewardship, improving alignment between government and partners, and strengthening the decentralization of the HSSP III and Health Benefits Package at the subnational level.

Reform 10: Community-led public financial management oversight

This reform seeks to re-orient community oversight by establishing effective principal-agent arrangements between communities, as owners of the healthcare system, and providers at all levels of service delivery.

Key activities prioritized by the Ministry of Health under this reform are focussed on scaling up the implementation of Direct Facility Financing to additional districts and ensuring that personnel at the facility levels are capacitated in financial management. This reform is being supported by FCDO and GIZ.

Other priority outputs

To support the roll out of Direct Facility Financing, the Ministry of Health has prioritized further activities for improving social accountability through community engagement. These activities are being supported by UNICEF and USAID, who have committed an estimated $148,266.00 USD. This includes discretionary funding for the Ministry of Health if specific HSJF indicators on governance, procurement and financial management are achieved.

To further prioritise the governance and implementation of the HSSP III, funding is also being requested from the GFF to finance a Steering Group of the HSSP III, which will be composed of all key donors and Pillar leads. This will ensure that all key stakeholders and implementers of the HSSP III meet at least once a quarter to discuss progress updates on both reform and non-reform activities.

The MoH has allocated a total of MK 162,765,000 (approximately $158,455.02 USD) towards planning and policy related activities.

Additional Leadership and Governance funding

Beyond these specific priority outputs identified by the Ministry of Health, USAID has committed a total of $6,578,731.86 USD to the Leadership and Governance pillar. Defined at a high level, this funding is intended to sustain and advance health gains, while building

resilient systems and supporting public financial management reforms, health sector governance, and policy implementation. With this support, USAID will seek opportunities to advance the Government of Malawi's financing and organizational reforms to increase equitable access to quality health services. USAID has also committed to providing $500,000 USD in funding as direct government support at district levels to strengthen key national level systems where there is strong political will, sufficient devolved authority, and an acceptable level of capacity to partner. Under USAID's *Finding TB cases Actively, Separating safely, and Treating effectively* initiative, this partner will provide pooled, above-site support for Leadership and Governance, including through DAI's Governance for Solutions activities and Palladium's Promoting Results and Outcomes through Policy and Economic Levers project.

Pillar 9: Health Financing

The final pillar under the HSSP III aims *"to set a well-governed health financing architecture that is able to mobilize adequate resources, distribute the resources in an efficient and equitable way, and strategically purchase services based on a well-defined benefit package in pursuit of UHC goals."* In this context, the Health Financing Strategy was launched alongside the HSSP III in January 2023.

Reform 11: Expanding domestic resources and robust provider payment arrangements

This reform will enable the Government of Malawi to raise domestic resources for health care - particularly through the introduction of contributions from the non-poor informal sector. Furthermore, this reform will also focus on strategic purchasing frameworks which will entail developing robust resource allocation formulae and processes and the implementation of intelligence-based provider payment mechanisms to strengthen alignment between resource allocation, budget execution and the Health Benefits Package.

The reform will include the following key activities:

- Strengthening strategic purchasing mechanisms from CHAM health facilities by revising the pricing and costing assumptions for service-level agreements (SLAs) and completing SLA performance reports. As part of these processes, an assessment of CHAM value for money is being conducted by CHAI.
- Improving resource allocation across levels of the healthcare system. This will include developing, finalizing, and implementing the inter-district, intra-district, and tertiary care resource allocation formulae.
- Increasing domestic resource mobilization. This will include updating the report on earmarked taxes, developing a framework for prepayment plans, completing a study on the impact of optional paying services on universal health coverage, and developing Financial and Operational Management Guidelines for optional paying services.

Based on available information from donor submissions, $22,558.22 USD has been committed to these reform priorities, but further contribution amounts are being confirmed. Key partners supporting these activities include HSJF, USAID, and CHAI. Additional technical assistance needs, such as support to complete studies on community prepayment

plans and to begin to implement other mechanisms for strengthening health financing, have been identified for funding.

Other priority outputs

Other key outputs that are prioritized by the Health Financing pillar include:

- Approving and implementing the Private Sector Engagement framework, including conducting public-private partnership studies and holding sub-technical working group meetings. One example of the assessments planned for this year includes a feasibility study on public-private partnership arrangements to establish laboratory infrastructure. This initiative is being implemented by CHAI through the African Health Diagnostics Platform, with financing from the European Investment Bank.
- Conducting routine resource mapping exercises, including the National Health Accounts, National AIDS Spending Accounts, and Resource Mapping and Expenditure Tracking.
- Creating a data management platform for collecting and hosting health management data.
- Completing district-level expenditure reviews.
- Building local health financing capacity, including creating a health financing curriculum and conducting mentorship at the subnational level.
- Fostering forums for health financing advocacy through national dialogues with civil society organizations and the creation of an accompanying advocacy plan.
- Conducting studies to assess the feasibility of implementing a national health insurance system in Malawi.
- Improve efficiency in medicine procurement by developing guidelines for prime vendors.
- Holding quarterly Health Financing Technical Working Groups.

Key partners supporting these priorities include the FCDO, GFATM, USAID, HSJF, CHAI, WHO, and KUHES, but the total amount of external funding available for these activities is still being confirmed. The Ministry of Health has allocated MK 81,399,824 ($79,244.38 USD) towards health financing activities. This also includes activities to monitor the implementation of optional paying services, SLA M&E and coordination of the One Budget.

Additional Health Financing funding

Beyond these priority outputs outlined by the Ministry of Health, two donors have committed funding to other Health Financing activities. These include support for operational costs and fiscal agent consultancy fees from HSJF. In addition, USAID has committed to collaborating with the Ministry of Health to develop a collaborative HIV Financing Strategy, in line with the National Health Financing Strategy. To support the mobilization of external resources for the health sector, CHAI has supported the completion of Resilient and Sustainable Systems for Health prioritization meetings as part of the Global Fund Global Fund New Funding Model 4 Allocation Cycle.

Section 5: Challenges faced and recommendations for future years

This is the first year of the implementation of the HSSP III and therefore the development of the annual “One Plan”. It was originally envisaged that all donors and the Government would contribute to the “One Plan” by 31 March 2023 in time for the new fiscal year. However, this process has been delayed as a result of several factors. This section briefly details key challenges, as well as associated recommendations for improving the process in future years.

To ensure that all donors and the Government of Malawi submit their plans and budgets, a “One Budget” tool, which was based on the reform activities and implementation matrix of the HSSP III was circulated. Given the detailed nature of the tool, and varying levels of familiarity with the HSSP III activities and reforms, there was a large range in the quality of the submissions, which impacted their usability. Certain submissions were incomplete and thus did not allow for a mapping of activities to the HSSP III activities, and several submissions mapped activities incorrectly to the reform and implementation. There were also substantial delays in the submission of donor contributions to the Ministry of Health’s Department of Planning and Policy Development. In response to these issues, **a simpler tool has been developed for use next year,** and detailed orientation sessions will be planned with focal points from each of the large donors to strengthen the quality and timeliness of responses.

Another key challenge faced was that several of the detailed activities in the implementation matrix and the reforms have now been updated. Since these activities were detailed during HSSP III development, the need to update planned activities and outputs is to be expected due to shifts in implementation needs. In this context, **the process will be revised for the next financial year, such that each of the lead directorates for the nine p illars will be asked to develop and submit their implementation plans** (which will include both reform and non-reform activities) by October 2023. This process will be merged with the Strategic Hearings process, whereby Directorates submit their key strategic priorities for the upcoming year to the Treasury, to enable the Treasury to set ceilings for the national budget. The implementation plans will be submitted to the Department of Planning and Policy Development and used as the starting point of the “One Plan.” Donors and the Government of Malawi will then be asked to map their budget to these activities. This Ministry-led process of mapping will be conducted at the detailed output and activity levels - for example, holding a workshop to validate the new health service packages - which will facilitate donors in precisely mapping their funding towards targets. Ultimately, this will support the identification of specific unfunded priorities of the Ministry of Health, improving efforts to efficiently allocate and mobilize resources.

The original “One Budget” tool did not allow for the precise demarcation of pass-through funding streams between donors and implementing partners. Where possible, areas of funding duplication between donors and implementing partners receiving this financing were identified when mapping resource allocations pre-filled by donors in the “One Budget” tool across Ministry of Health priorities. However, some duplication could remain in this mapping if identification was not possible, inflating the overall amount of resources available from

targeted partners in the health sector. In addition to the aforementioned changes, next year's tool will be revised **to support the identification of pass-through funding streams and minimize the potential for duplication in financing amounts**.

Finally, the costing of each of the reforms and the implementation matrix by year in the HSSP III has changed over time as a result of further planning, the addition of further details to specific activities, and other factors. This implies that it is not possible to compare the funding available under each pillar to the required funding. During subsequent rounds, **the development of implementation plans before the financial year begins will help to enable directorates to identify their funding needs**. In turn, this will facilitate all donors in maximizing the proportion of their funding channelled to Government priorities. The institutionalization of this process over time will support **directorates in beginning to undertake medium-term planning, such as over two or three years,** which can promote harmonization with donor fiscal cycles and strengthen alignment in operationalizing the shared vision for HSSP III.

Section 6: Conclusion

In the first year of the HSSP III implementation, the "One Plan, One Budget" has aimed to provide an overview of the key activities planned in the health sector across the nine HSSP III pillars. Overall, the "One Plan" encompasses activities of key donors and the Ministry of Health, amounting to $565 million USD (including the Government's routine activities, salaries of the current establishment, and certain partner operating costs). The "One Plan," developed through a joint planning process, therefore sets the scene for all key activities that are planned for this year in the health sector, in service of the HSSP III.

In addition to emphasising joint accountability and monitoring, the process of developing the "One Plan" has enabled each Pillar to identify key priorities and associated funding gaps that are critical to fill. The "One Plan" also forms the basis for the various Technical Working Groups and their task-forces to drive forward reform implementation and resource mobilization.

While the process this year has enabled a high-level overview of planned activities for the year, there have been several delays and challenges in developing the "One Plan." Learnings from this process will strengthen the process for the upcoming years, further expanding its scope to capture district and facility priorities. Operational planning will be undertaken in Quarter Three of this year, to ensure that national and district level budgets as well as donor budgets for the next fiscal year can be developed. By optimizing and streamling planning processes, next year's "One Plan, One Budget" will maximize possible alignment with HSSP III reform and non-reform priorities.

The "One Plan" has highlighted that a majority of partner funding this year aligns to the national strategic priorities. However, key activities that remain unfunded include:

- Further validation and finalisation of the HSP and implementing a pilot of integrated platforms of care in 15 districts.
- Completing the background work with respect to upgrading 10 health centres before construction can commence

- Construction costs for Chikwawa, Dowa and Rumphi district hospitals
- Costs related to upgrading eight existing rural health centres to community hospitals
- Funding for quarterly TWGs for Infrastructure
- Procuring relevant service contracts for radiology equipment, conducting specialized training of radiology staff and integrating the radiology information system into existing systems.
- Rolling out the Performance Management System in central hospitals and in districts that are not currently supported by partners.
- Procuring equipment for waste management
- Conducting orientation and training activities in the context of “One Plan, One Budget, One Report.”
- Conceptualizing and developing the Multi-Donor Fund framework.

It is the joint responsibility of all key health sector stakeholders - from the Ministry of Health to partners - to continue advocacy for filling these critical gaps and ensuring adequate resources for our shared HSSP III vision.

Building on the “One Plan,” the “One Report” process is now being developed, which will foster joint accountability towards planned priorities. The “One Report” will define indicators, targets, and timelines for driving forward the HSSP III reforms and objectives, emphasizing the shared responsibility in implementing “One Plan.” With the goal of harmonising monitoring and evaluation requirements across stakeholders and mutual accountability, progress in achieving “One Report” components will be assessed by national, zonal, and district implementation plan review platforms, as well as pillar-specific technical working groups.

Further strengthening the implementation and operationalization of the “One Plan, One Budget, One Report” is essential to reducing duplication and improving the efficient use of resources across the health sector. Under the leadership of the Government of Malawi, these health system reforms will ensure that resources from all key stakeholders contribute towards the country’s national priorities and advance the HSSP III’s vision of improved health outcomes, client satisfaction and financial protection for all Malawians.