

Health Policy And Finance Decentralization And Equity, The Experience Of Sudan

Dr Salah Daak

*FRCP, MD, MPH, MBBS Assistant Professor salah.daak@iua.edu.sd
International University of Africa Faculty of Medicine <https://en.iua.edu.sd/> Sudan*

Introduction and back ground information:

Decentralization has been adopted and promoted by advocates of health reforms and adopted by some developing countries. It was seen as a way of administrative and policy reform; to fulfill equity and efficiency and improve the quality of work (Bossert et al 1998).

Sudan started the argument about decentralization in 1969 as administrative decentralization for all sectors. It was justified by the military government at that time as the only means for changing the political order in Sudan and achieving equity at all levels and for all sectors (Rondinelli A 07). But in this write up I will focus on the equity from the health point of view which has been defined as the reduction of inequalities in the health care context (Gwatkin, 2000). WHO defines state of equity when "care is provided according to need" and "inequalities and unfair judgements between and within populations are removed or minimized."

Decentralization is defined in simple words as, "transfer of authority and power from higher to lower level of Government, or from National to sub-national level". (Peter et al 07)

There are many types of decentralization (Witter et al). De-concentration; it is shift of administrative responsibilities without political power. Devolution refers to the shift of political responsibilities and the local government will have the authorization to raise their own taxes (Rondinelli 1981). Delegation is a type of decentralization where the central government relocates responsibilities to non-governmental organization or reverts to privatization (transfer of operational responsibilities in rare cases or the ownership to private sector). Sudan at present maintains Devolution whereby the political responsibly has been given to the provinces and states. (Bossert et al 1998).

There are many objectives for decentralization in general for all sectors. Since this paper should reflect the advantages and disadvantages of decentralization for the health sector we will look at the objective of applying decentralization within the health sector. The main objectives for health sector refer to:

- Service delivery innovation through experimentation and adaptation to local conditions.
- To increase the efficiency and effectiveness with which health systems reach the poor and

disadvantaged. This objective aims to alleviate current inequities in health service use and contribute to lessen differences in health status. (Bossert et al 2000).

Decentralization in Sudan was seen as necessarily because of the vast geographical area and size of Sudan which is bigger than West Europe together. The ability to govern from Khartoum the capital was impossible and an challenge to maintain development efforts in the country. The challenge became even bigger due to the bad infrastructure (roads) and the poor communication net work out side of the capital, Khartoum. Sudan is a country that contains numerous tribal and ethnic groups and decentralization became a necessity when all these groups could not be represented and involved within the central government. Decentralization has given the opportunity to all parts and ethnicities in Sudan to be represented at their respective local levels. (Rondinelli 1981). The government in 1971 stated establishing the local administrative system to run the decentralized system. This was done by strengthening the authority and administrative power of the provinces (now referred to by the new government as states) and gradually devolution type of decentralization was implemented. In each province/ State there is a Commissioner (at present referred to as Wali by the new government) appointed by the president himself and directly reports to the president. In most cases he is a political figure from the central regime and the ruling party. In each province there is council elected locally. The duty of the council is combined; to cater for political mobilization and general administrative issue. The commissioner is granted veto power over the council for number of decisions e.g. security threats. The council is responsible for many of

administrative duties and issues e.g. regulating the local taxes. Some other responsibilities of the council include establishing regulations for public order; and creating temporal taxes through recreational activities; preparing the annual budget proposal for the province; monitoring and evaluation of the work of the local ministries at the province (state). There are some critical areas or issues that are not within the council's authority and these include national security, banking and judiciary. Although the council is allowed to collect local revenues for budget support their main financial support comes from the central government. One of the main functions of the council is to formulate their budget at the local level in coordination with the local ministries. (Rondinelli 1981).

The aim from this paper:

This paper will provide some information about decentralisation of health system experience in Sudan, discuss and compare the advantages and dis-advantages of decentralization in Sudan with regards to equity. And come out with recommendation and constructive suggestions. This will be done by reviewing the literature written about this issue in Sudan and comparing to other African neighbouring countries such as Uganda, Zambia, Ethiopia and others.

Search Strategy:

The methodology applied to collate this paper is review of literature. Literature has been searched through documents on decentralization experiences of different countries; most of them are African countries with similar circumstances and situations within their countries. Electronic and manual search has been done. The search engine: Pub

Med, Google; systematic review of available literature; reports and case studies both published and unpublished have all been consulted. Experience from the field and observations have been used when necessary. Key words used are , Decentralization, Decentralization AND Sudan. Health System Reform. Health System reform AND Sudan. Advantages of decentralization. Disadvantages of decentralization. Decentralization of health system AND Sudan.

Argument in Favour of Decentralization:-

Decentralization helped to avoid the severe limitations and bureaucracy at the central level, which was characteristic of the national central government at that time. These limitations were minimized by delegating responsibilities to officials who are working closer to the community and it was also felt that this way the needs of the community could be better addressed. It also gave the senior officials at national level more time to think of the country policy and strategic issues, instead of spending time on day to day events of the peripheral areas. It also helped to fulfil equity within the health sector by giving the authority to local government to plan and manage development projects at the local level and by involving the community and marginalized and minority groups to rule and identify and meet their needs. (Rondinelli 1981).

Some studies highlighted that the central governments in general are more efficient in terms of equitable allocation of resources to different regional governments and also more efficient in decision making. This phenomenon is an important element to achieve equity. The study also highlighted

that local governments were seen to be more effective in utilization of funds to achieve efficacy and quality of work. (Bossert et al 1998).

Decentralization also brought about the initiation of a decentralized revolving drug system. The decentralized revolving drug fund system has helped in selection and quantification of drug needs according to the need of the local population. This again pertains to be an important element to achieve equity. The revolving drug fund (RDF) has an office in each province with separate administration committee running the project. The main task of the committee is to observe the efficacy, safety and the cost of administration. RDF has minimised the corruption because it has an independent procurement system and it uses it is own monitoring and management system. All the financial procedures are defined by the RDF management committee. (Mohammed 2000)

In certain countries such as Zambia, decentralization has also resulted in an increase in “decision making space at the local level”. It allowed the boards in the hospitals and managers to make decisions on critical issues at the hospital and district levels. Prior to decentralization the Zambian district had limited choice over sources of additional revenue and they were not allowed to apply for local taxes. The district hospitals were not accountable to the local government. The district in the past had no authority over the expenditure, recruitment and termination of staff, contracts and fees. At present all these authorities lie with the district level and this increase accountability which in turn will improve the quality of work at the local level. It will also benefit the

local community and specifically equity at the local level. (Bossert 2003)

A good example to be considered is a study done in Zambia over the period 1995-98. The study highlighted the effects of decentralization on per capita expenditure on health. At the beginning of the period decentralization and policy slightly favoured the poor and rural areas. Later towards the

during this time period the favour shifted to the rich and the urban areas. At the end of the study there was no difference in favours for poor/ rural and rich/urban were noticed and therefore one can conclude that decentralization has helped to create a balance between per capital expenditure for health for the rural and urban areas. (Bossert et al 2003) The figure 1 below shows the comparison.

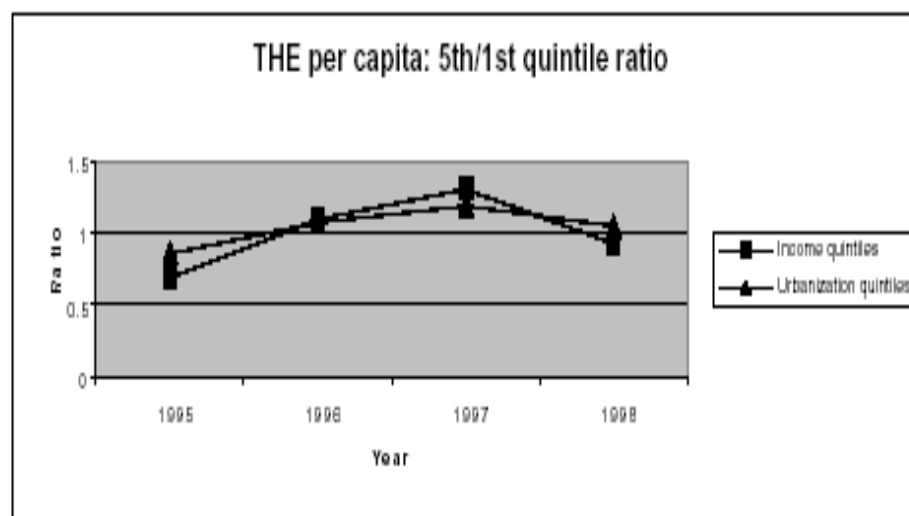


Figure 1. Equity of total health expenditure (THE) per capita by income and urbanization

This balance of per capital expenditure of health cannot be completely attributed to decentralization. It is incorrect to suggest that it is only because of decentralization that this equity was achieved, since there is no study done before the implementation of decentralization and therefore comparison is not possible; however we can say that decentralization is one factor that contributed this equity (Bossert et al 2003).

Argument against Decentralization:

The impact of decentralization on the payment and bargaining system for health cadres and its relations to equity have not been investigated however there are certain on the ground realities that can depict the effect. As per observation the senior health Cadres, Doctors, and specialist prefer the

central payment because of the close monitoring and supervision / audit from internal and external bodies (anti-discrimination and human rights legislation) which results in more transparency and accountability from the government side. Some times decentralized governments / local governments pay and bargain could be of benefit for certain rare specializations and medical professions since local governments will offer higher pays to work in remote areas (Rondinelli 1981).

The process of decentralization has left every province (now sate) with its own numbers and types of health cadres. (Shariff et al 2004).Some states were already developed and had enough health cadres (relatively) but other states (those further from capital) were left suffering from sever shortages of staff. Specific examples of these are the South and the West of Sudan. The federal ministry of health noticed this at quite an early stage and kept the authority of distribution of certain types of cadres with the federal level so as to facilitate equal distribution between the states (Shariff et al 2004).

One of the hypotheses is that decentralization might cause a problem in certain places within community participation. Community participation and fulfilment of equity within this field might suffer because some of the authorities are more prone to Elite capture. Although I didn't find literature to support it from Sudan but my observation is that is very obvious especially in the remote areas where the literacy rates are very poor, certain groups manage and represent the community at every occasion and speak on behalf of the community not necessarily voicing out the opinion of the majority. At many occasions favouritism and corruption happens using the name of the community. This might affect the

decision making, participation and weaken the community role. (Admolekun et al)

The financial limitations are very big for the local governments within developing countries. In most cases the local support to the budget is very small and the transfer from the national government comes with many restrictions. The challenge grows with the fact that the local council members have no hold or responsibilities on the funds because it comes already distributed. Some of the big health programs are only partially decentralized; for example the HIV/AIDS program, malaria, and polio eradication programs and they receive their funds directly from the central government. This poses a limitation on the decision making regarding in relation to these programs.

Decentralization is some times expected to reduce cost and gain efficiency as well as maintain equity. However in many cases decentralization leads to creation of small governments in the regions and these governments are just copies of the central government. All the allowances and number of vehicles at the end increases the overall administrative cost. (Koivusalo et al 2002), According to my observation this scenario is replicated in Sudan. Sudan is divided into 26 states, and each state has a separate government and cabinet of ministers. The cabinet of ministers have high maintenance cost and allowances whereas the resources at that level are small and therefore the government at that level ends up sustaining its existence instead of providing basic services to the community. So services to remotes and hard to reach areas are sometimes neglected because of the shortages in fund, which leads to neglect of some population and the equity issue is then jeopardized.

Decentralization might become a problem without putting clear guidance to local decision makers on how to use and distribute the resource between the sectors at local level. This could become a problem when in certain circumstances the local decision makers might choose to distribute the resources in away which could increase inequity; especially with regards to health services. This happens when local level priorities do not tally with the national priority. This phenomenon happened in Finland in early 1990 and was also observed in Sweden (Koivusalo et al 2002). Although not documented in Sudan this has been observed for numerous states and at numerous times.

Decentralisation might include additional problems if the population covered is too small. It will increase the cost of running the service. This is a problem in Finland (Koivusalo et al 2002), where some of the services might not be sustainable due to

limited utilization. Examples of these are pharmaceutical companies and sophisticated services. The local budgets then have to sustain the pressure of keeping these services up and running. Thus the balance between the level of care and the different sources of finances need to be addressed. In Sudan this might become a problem since the area is vast and the population un-equally dispersed and thus some large states may have few population and whereas other states might have large number of population.

Decentralization has led the decline of certain services in certain countries. Examples of such services are immunization which has greater impact on the poorest population. Although this decline might be due to the vertical immunization program, there are other potential factors as well e.g., budget support and the decline in the total expenditure. (Bossert et al 2003) The figure below shows the difference,

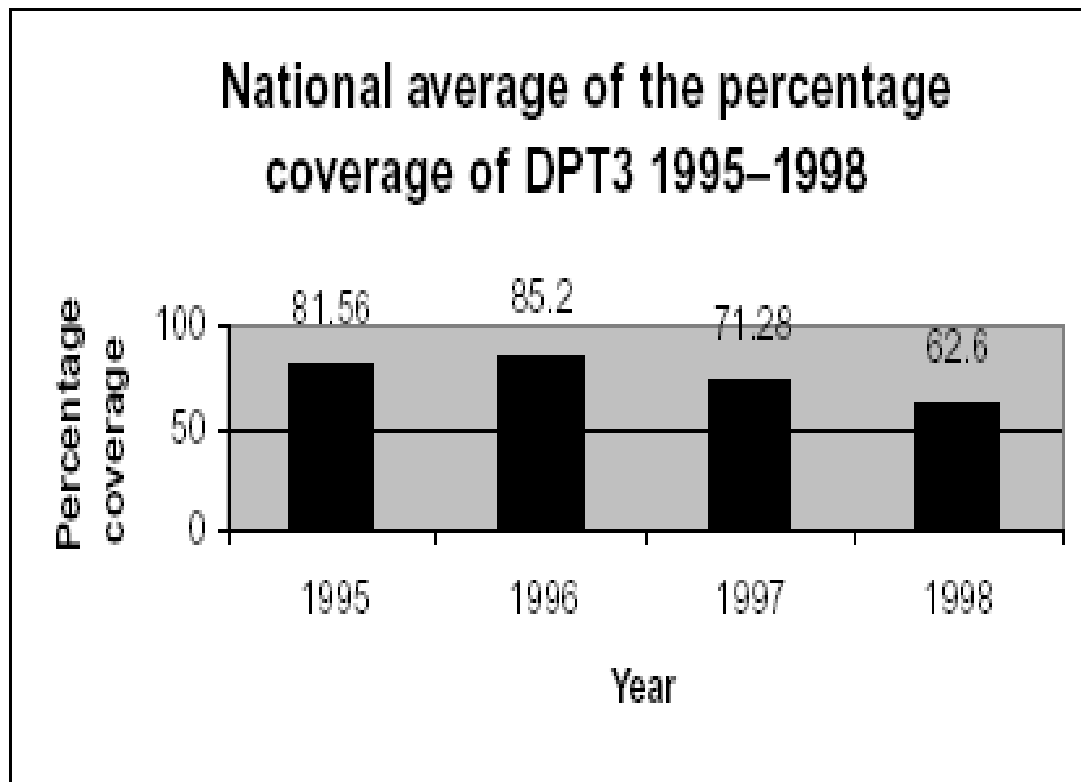


Figure 5. DPT3 coverage 1995–98

Stakeholders involved:

Generally I noticed there are many stakeholders involved and interested with the issue of decentralization of health services and equity. These stakeholders can easily be categorized as internal and external. Internal refer to those directly involved with policy, implementation and beneficiaries of the decentralization and external refers to external bodies and international actors.

The Government of Sudan, Ministry of Health at the federal level and the politicians are supportive and pushing the operation and efforts for decentralization forward. They

have the financial power and the political will to enable proper implementation and maintenance however they may lack the technical capacity and expertise to do so.

The donors, UN agencies and some of the human rights activists are also involved within the decentralization process. Donors support the efforts financially and also have the technical capacity and experience to assist the internal stakeholders for efficient management of decentralization. Examples of such donors are WHO and UNICEF. Human rights organizations are mostly interested in the equity part of the

decentralization and tend to monitor and report as well as advice the government.

The private sector is one stakeholder that might have interest because it gives chance for the contracting out services and also privatizing some of the public sectors.

The community is interested in decentralization because they then have the voting power. However community participation is critical and important for the proper implementation and management of decentralization.

Conclusion and Recommendations:

From the literature that was reviewed for this paper, it is obvious that the health system worldwide is undergoing rapid changes. Some of these changes happen because of local needs and the urgency to achieve equity at the local level especially in country like Sudan where there are different ethnic groups and conflict all over the country.

The health system reform and decentralisation of the system is no longer completely an internal issue, because of the external and international involvement within health sector. All developing countries have numerous international agencies and actors involved in within the health sector. With the new era of globalization many international organizations are following the issues of equity in the health system with specific regards to standardization of staff payment. This is followed by human right organizations and UN agencies. Equity at the community levels with beneficiaries is also followed by many international and national actors.

The outcome of decentralization is not always positive. Decentralization is characterized as seen through literature and country experiences with various advantages and disadvantages. It could be more effective if supported by the willingness of politicians and governments to carry out reform and bring up the change and the willingness and the understanding of other stakeholders in the health sector, e.g., the donors, and the private sector. This should be enhanced along side with the support and participation of the community. Therefore the social structure, political power and capacity of the local actors influence the out-come of the decentralization. (Rondinelli 1981) Success within the health sector can only be sustained through parallel success and development of other sectors. The health sector cannot stand on its own therefore a comprehensive approach and strategy to develop the other sectors will help achieve the objectives in term of equity at the health sector level.

To have a good results and out come of decentralization, there should be continues financial support. Because the Financial support at the local level will help to achieve equity and the overall success of the operation. The local government should be given enough resources to fulfil the tasks assigned to them. Without support from the central government at the beginning decentralization might come with adverse effect e.g. training, information, technical equipment, distribution of roles and decision making capacity. So the support to local governments should ongoing processes till the end of the operation or else it will stop some where.

We Decentralization needs to maintain cross subsidies at the central level and its adverse

effects on service provision have to be addressed.

We need to be careful because decentralization itself some times might cause in-equity, by the increase within the local autonomy, which creates variation between the groups at the local level. Therefore decentralization should be closely monitored by the central government and accordingly re-centralization of certain issues could be done when necessary (Koivusalo et al 2002)

Decentralization as anew strategy has tended to be seen as policy measure which is needed for it self. Decentralization is a mean to an end not as aim for it self (Bossert et al 1998). So we have to look at the product and out come of Decentralization.

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