

Ministry of Health

Malawi's Progress in Advancing the Lusaka Agenda

June 2025

Presentation Outline





Situation analysis-Funding landscape amidst global disruptions in financing



Key Achievements
& Lessons Learnt in
operationalization
of the Lusaka
Agenda

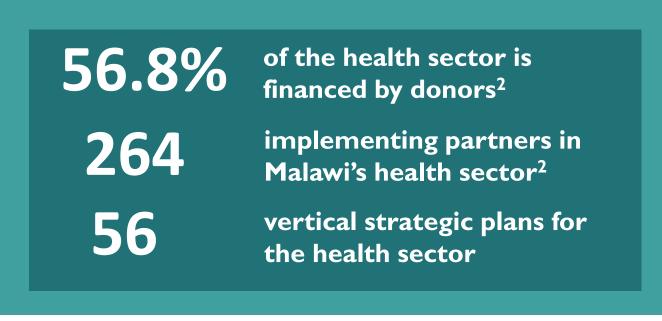


Country level –
Next steps in
response to
global health
financing

Even prior to recent funding cuts, Malawi faces a high donor dependency with alignment to vertical systems and fragmentation



- In the past 10 years there has been increased nominal and real total health expenditure with increased resource allocation by the government and donors¹
- But with increased population growth there has been no change in the per capita total health expenditure since 2010²
- More than half of the health expenditure is from donors often channeled outside government systems

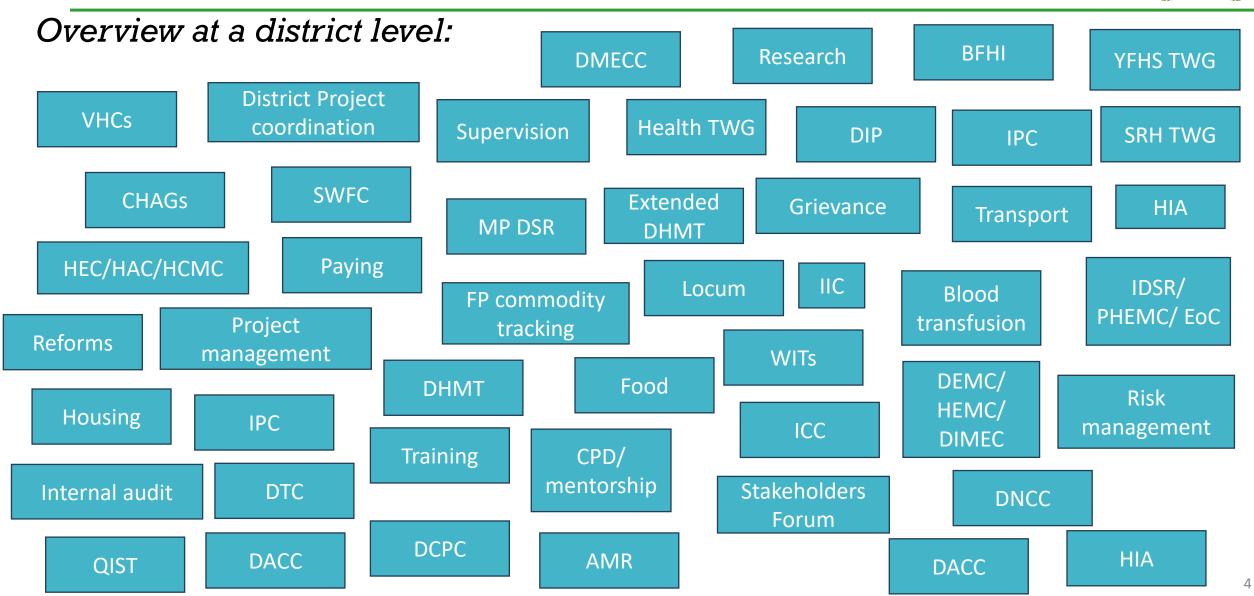


^{1.} Government of Malawi 2018; NSP 2018b; World Bank 2019b; NHA Tables

^{2.} MOH Resource Mapping Round 7. 2020-2021.

This has led to poor coordination and multiple governance and leadership structures





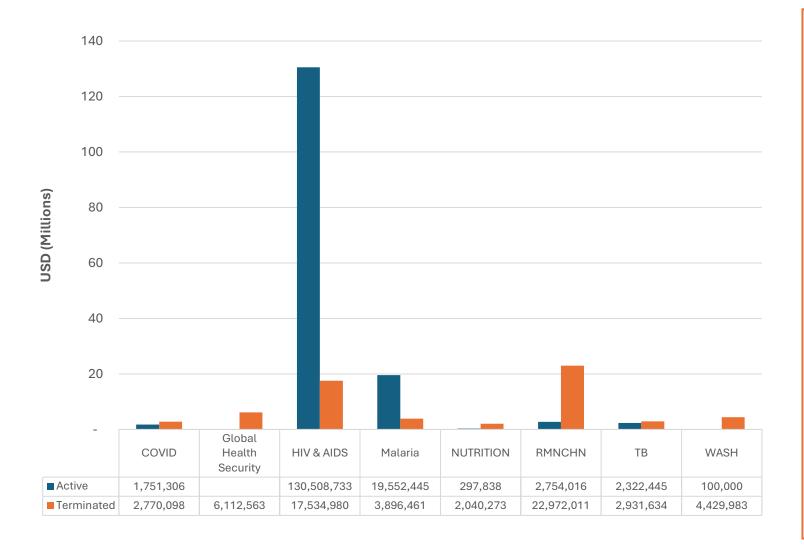
Now there is an estimated health sector budget cut of \$62 million



Funding in (USD)	Status of Grant		
Source of Funding	Active	Terminated	Grand Total
CDC	83,053,097	1,000,000	84,053,097
USAID	74,233,685	61,588,001	135,821,685
Grand Total	157,286,782	62,588,001	219,874,782

- As a result of the January 2025
 executive stop order from the US
 government, Malawi initiated a
 countrywide assessment to
 estimate the funding gap.
- USAID has lost 42% of its total funding, while the CDC has lost 1%
- The total loss is equivalent to approximately 8% of the 2024/25 health sector budget.

Funding Cuts by thematic area



- The highest budget cut is in RMNCH, approximately a \$22.97 million cut.
 - Affected areas include procurement of family planning commodities & supply chain system management.
 - Poses a serious threat to sustaining service delivery, given that Maternal & Neonatal deaths account for 13.7% of Malawi's total disease burden (Global Burden of Disease, 2019).
- \$17.5 million lost in HIV and AIDS, VMMC, PrEP, and SRH services are the most affected, posing a risk to programmatic targets

What has happened at country level to respond to the global financing disruptions?



- Shift from an HIV sustainability roadmap process to a holistic service delivery sustainability process in April 2024
- TORs for the holistic service delivery sustainability strategy in development with the following objectives:
 - Reprioritize health interventions to a package affordable by the Government of Malawi.
 - Map and redesign service delivery platforms to transition from vertical to horizontal care delivery, addressing fragmentation, duplication, inefficiencies, and quality issues.
 - Conduct a resource mapping and revise HSSP III costing to inform a gap analysis of the prioritized interventions and redesigned health system
 - Develop a funding and accountability framework that links prioritized interventions and activities to coordinated financing, real-time data, and performance oversight through a One Plan, One Budget, One Report approach.
- Reprioritization of HIV interventions and systems, national health budget, and refocusing where feasible other donor resources (Health Services Joint Fund, World Bank, in due course)
- Issues digital health governance guidelines, developing a digital health governance framework

What has happened at country level to respond to the global financing disruptions?



Efficiency & Resource Optimization

- Ministry agreed on potential areas of rationalization within the national budget & donors, thus
 - in service training
 - Online CPD platform
 - · supportive supervision, and
 - monitoring and reporting activitiesunderway in the current 1 Plan
- The performance management system has been scaled up to all districts in the country.

Domestic Resource Mobilization & Reallocation to High Impact Interventions

- Scaling optional paying servicing to 13 districts.
- Increased the national budget by 18% from the previous Year. The increase is to:
 - Recruit additional HW, above the massive GF recruitment
 - ART co-financing has more than doubled, now at USD\$ 571 million
 - Resumed full responsibility of sample transportation & data server licensing



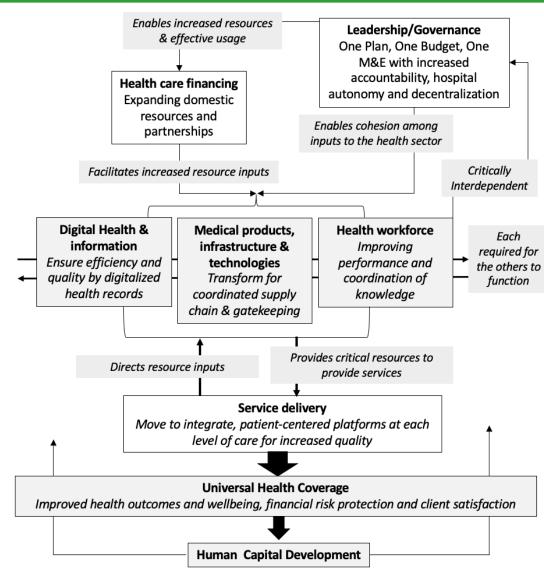
Operationalization of the Lusaka Agenda in Malawi

- i. What is currently being done?
- ii. Reflections

HSSP III Reforms provide a blueprint for the LA related reforms



- Ministry of Health must coordinate funding proposals in line with the HSSP III pillars and the interconnected nature of reforms and service delivery
- Example: Service delivery reform directs resource inputs by other pillars but must be supported by reforms, financing and leadership/governance
- This will take adjustments from GHIs and commitment from Ministry of Health to ensure funding proposals are written and implemented in line with the HSSP III and "One Plan, One Budget" approach



The JCWG/FGHI Workstreams are aligned to Country Initiatives

 Malawi was identified as one of the pathfinder countries under the GF/GFF/Gavi JCWG to begin more formal country dialogue and identify gaps and opportunities in GHI alignment within Malawi linked to the 3 workstreams

Country Engagement

Developing a joint proposal for improving the way GHIs collaborate with countries



Conducting a bottleneck analysis for strengthening the efficiency and alignment of the Global Health Initiatives

Health Systems Strengthening

Map and increase alignment and coordination of respective investments in health systems, service delivery, and key programmatic areas. Developing HSS matric indicator



Conducting an HSS investment analysis to compare HSS investments in the HSSP Devolving GF funds to districts

Malaria

Engage countries to support integrated planning & implementation
Explore synergies in applications and reviews



A broad service delivery Integration is underway.

In-Country Key Agreed-Upon Activities Under the Lusaka Agenda and HSSP III



HSSP III Prioritized Reforms

Transition to Integrated Platforms of care

One Plan, One Budget, One Report Performance for resources

Expanding domestic resources, decentralization of planning and funding, community led PFM oversight

Lusaka Agenda Proposed Shifts

Make a stronger contribution to PHC with horizontal system strengthening

Strengthen join approaches for achieving equity in health outcomes

Strategic and operational coherence-Contextualize and identify priority areas of support of the JCWG

Catalytic role in sustainable domesticallyfinanced health services and public health functions

Update on Implementation of Key Activities Under the Lusaka Agenda Aligned to the Health Sector Strategic Plan III Priorities



Lusaka Agenda Key Shift	HSSP III Reform	Activities
Shift One: Making a stronger contribution to PHC	Reform 1: Transition to integrated platforms of care	 Learning and implementing integrated screening in selected facilities, in Nkhotakota and Rumphi Two other pathways are underway: Chronic care and Maternal & Child Care integration. Integrated Protocols & guidelines have been developed. Now planning on conducting community engagements to ensure co-creation and design. Implementation is to start mid-July. Evaluation of the Integration approaches is also, underway to evaluate integration and resource input needs for all three integration approaches – screening, chronic care, and MNCH. Implementation of integrated pathways will be contextualized and will undergo continuous learning and evaluation for nation-wide scale up

Update on Implementation of Key Activities Under the Lusaka Agenda Aligned to the Health Sector Strategic Plan III Priorities



Lusaka Agenda Key Shift	HSSP III Reform	Activities
Shift Four: Achieve strategic and operational coherence	Reform 9: Implement "One Plan, One Budget, One Report"	 Implementing a 1 Plan, now in the third year of implementation. The 2025-26 is in the final phase of drafting. At the sub-national level, facility planning continues to be used to strengthen alignment. On 1 Budget- Consultation on the design and transition to a single PIU is underway. 60% of the consultations have been completed. The decentralization concept has been finalized, detailing decentralized financing models to support the wider "One Plan, One Budget, One Report" approach and advance integrated services and HSSP III objectives. The draft is under review and pending submission to the GF. Conducting bottleneck analysis for strengthening the efficiency and alignment of Global Health Initiative, focusing on bottlenecks & solutions regarding grant-making & allocation, financial management & compliance, grant monitoring & Implementation, and governance & oversight & ownership. Submitted to the JCWG in preparation for the board meeting in June. Conducting a national strategic plan analysis to compare HSS investments interventions to those in the HSSP III- to ensure the HSS is one reference point for HSS investments. Under review, to be shared with GHIs and other stakeholders Ongoing internal MoH conversation to unify planning, governance, and financing
	Reform 10: Direct Facility Financing	• Upon successful pilot in 2022-23. It has now been scaled up to 15 districts.
Shift Two: Play a catalytic role towards sustainable, domestically-financed	Reform 11: Expand domestic resources and robust provider	 Introducing innovative domestic financing mechanisms (e.g. earmarked taxes. Proposal submitted to MoF- now under review to assess feasibility. Scaling up optional paying services to more districts, currently in 5 tertiary hospitals and 8 district hospitals.

Reflections in the implementation of the Lusaka Agenda



- Mindset change with MoH Depts., programmes, donors, subnational level is a gradual process that requires persistence and consistency
 - o It is gradually building in the MoH and that is encouraging
- Sub-national level critical for LA implementation
- Funding withdrawal provides a significant opportunity to accelerate LA implementation
 - Country leadership must be strengthened to utilize this opportunity, cross country learning would be ideal
 - LA roadmap for Malawi likely to be integrated into broad service delivery sustainability work
- Providers of financing may be left behind country reforms this will exacerbate the existing misalignment
 - With declining funding, likely to be tendency to entrench verticalizationfunders defaulting to their "core mandates"

Reflections in the implementation of the Lusaka Agenda



- WHO AFRO/AfricaCDC champion countries hold the potential to implement the five LA shifts with minimal or no constraints and provide learning.
 - However, there is need for clarity on the learning agenda for WHO AFRO/AfricaCDC champion countries
 - There is need coherence of LA implementation oversight mechanisms in Africa
- There needs to be a platform for learning from each other on the shifts regardless of "champion country status"
 - WHO/AfricaCDC meeting in Addis showed many LA initiatives are going in member countries



Thank you

Questions