

May 2026

Helping African countries to act on their commitments to finance healthcare

The path towards universal health coverage

About AFIDEP

AFIDEP is a pan-African non-profit research and policy institute that works to ensure evidence informs decision-making for sustainable development in Africa. AFIDEP generates and translates research into actionable policy solutions.

The Institute works closely with governments, regional bodies, and development partners to strengthen the use of evidence in policymaking, build capacity for evidence uptake, and support African countries to achieve sustainable and inclusive development outcomes. AFIDEP is headquartered in Lilongwe, Malawi, with a regional office in Nairobi, Kenya.



The path towards universal health coverage

Across Africa, health systems remain underfunded, with external aid accounting for 40-60% of total health expenditure in some countries. At the same time, government health spending often falls below global benchmarks, limiting progress toward universal health coverage (UHC) and increasing reliance on out-of-pocket payments.

To address this, since 2022 AFIDEP has partnered with governments and stakeholders in Kenya, Malawi, Zambia, and Uganda to strengthen domestic health financing systems.

Over three years, AFIDEP's integrated approach, combining evidence generation, technical assistance, capacity strengthening, and strategic advocacy, delivered measurable results:

- Increased national and sub-national health budgets
- Allocations improved efficiency and accountability in spending
- Strengthened country ownership of health financing reforms

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Evidence and technical assistance enabled Kenya to increase funding for health and reduce inefficiencies at national and sub-national levels of the health system

In Kenya, AFIDEP supported the implementation of four major UHC laws (2023):

- **Social Health Insurance Act** introduced a mandatory insurance model to ease the financial burden on individuals
- **Facility Improvement Financing (FIF) Act** aimed at enabling public health facilities to retain and manage their own revenue
- **Primary Health Care (PHC) Act** focused on strengthening community-level healthcare
- **Digital Health Act** aimed at promoting the use of digital technologies for better coordination

A key contribution was the technical support provided to the Ministry of Health (MoH) in developing an evidence-informed service costing protocol. MoH, in collaboration with AFIDEP, further applied this protocol to undertake the costing of health services at levels 1–3 of the health system (the Kenya Essential Package of Health), which informed the determination of the 2.75% income contribution rate for the Social Health Insurance Fund.

This evidence-based approach replaced inconsistent pricing systems and improved reimbursement efficiency across facilities.

"AFIDEP team gave us the technical support in the development of the costing protocol, the costing of Level 1 to 3 services, and the regulations. The support was timely and aligned with our Annual Work Plan priorities," noted Senior Economist, MoH, Kenya.

In addition, AFIDEP supported the Council of Governors and the MoH in developing the FIF Act Guidelines, including conducting data analyses that informed their design and content. In addition, the Institute supported four sub-national governments (Laikipia, Nyandarua, Homa Bay and Taita

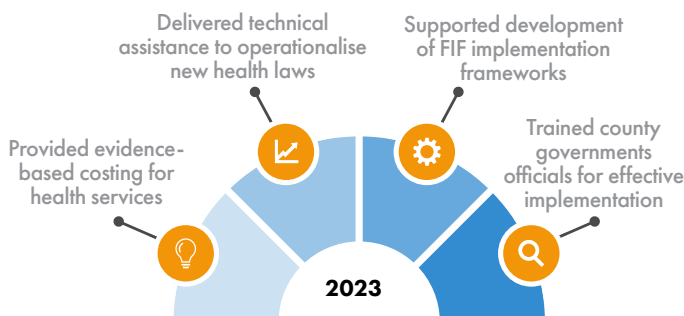
Taveta) in implementing the FIF Act by helping them develop implementation roadmaps and regulations.

It also strengthened capacity of the officials at the sub-national (county) level by training health facility managers and relevant county staff on financial management of FIF funds and public financial management (PFM) requirements, particularly in planning, budgeting, and resource utilisation.

These reforms have reduced delays in accessing funds by the health facilities from 3–4 months to less than 10 days, enabling faster procurement and better planning. In Laikipia County, for example, over 93 health facilities have been empanelled under the Social Health Insurance scheme, with some already receiving up to US\$7,700 per month in reimbursements. This had never happened before.

“If there is one thing that has really worked well, and it’s going to improve the service delivery, it is the FIF Act. We have seen tremendous growth especially in revenue collection in the county. Facilities are not waiting for a long time to get money as before. Thanks to AFIDEP for helping us customise this law to our context,” said Nyandarua County Primary Health Care Coordinator.

What AFIDEP did:



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Strengthened capacity in programme-based budgeting driving smarter health spending in Kenya

AFIDEP strengthened capacity in public financial management and programme-based budgeting (PBB) in Kenya’s MoH and across four sub-national governments of Taita Taveta, Homa Bay, Laikipia, and Nyandarua. In summary:

- 24 national-level officials at MoH were trained
- 50+ county officials were trained across multiple sub-national governments.

This resulted in a shift from input-based to results-oriented budgeting, directly linking spending to health outcomes.

The aforementioned sub-national governments adopted PBB in the 2025/26 financial year, improving alignment between budgets and health priorities.

“Before, we would submit PBB documents but still execute using line-item budgets. Now we are using PBB in full. This has improved planning, transparency, and accountability. Thanks to AFIDEP,” noted a Health Officer at Taita Taveta County.

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Strengthened advocacy generated “more money for health” in Kenya

AFIDEP, in collaboration with Partners in Population and Development Africa Regional Office (PPD ARO), trained stakeholders including civil society organisations, private sector and the media in SMART advocacy. The training aimed at equipping the stakeholders with necessary skills to advance Specific, Measurable, Achievable, Relevant, and Time-bound advocacy initiatives driven by evidence.

As a result, the approach translated evidence into tangible financing gains. In 2025/26 FY, Advocacy efforts by the trained stakeholders contributed to:

- US\$10 million allocated to address vaccine stockouts
- US\$67 million in delayed National Health Insurance Fund (NHIF) claims released to service providers
- US\$3.1 million increase in a county health budget
- A 32% increase in adolescent sexual and reproductive health funding in Kwale County
- Increased reproductive health allocation in Laikipia County from US\$15000 to US\$17000.

“Our SMART objective focused on advocating for reimbursement of old *Linda Mama* claims by NHIF. Thanks to the training by AFIDEP and PPD ARO, we knew who to target and how to use data effectively in advocating for release of these funds,” Civil Society Representative, Kenya.

These results demonstrate how data-driven advocacy can unlock domestic resources even in constrained fiscal environments.



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Support to Malawi Government to operationalise Direct Facility Financing DFF policy increased finances at health facility level, enabling service improvement and increased health allocation

In Malawi, AFIDEP supported the government to operationalise the Direct Facility Financing (DFF) policy under the 2023–2030 Health Sector Strategic Plan, contributing to increased financing at health facility level and improved service delivery. AFIDEP’s support focused on strengthening the capacity of districts and health facilities through training in planning, procurement, financial reporting, and compliance; core competencies required for the effective management of DFF funds.

By January 2026:

- 14 out of 29 districts had been trained and implemented DFF systems
- Facilities began directly receiving and managing funds

This reform is enabling faster procurement, improved responsiveness, and better service delivery.

“Historically, we had to manage everything centrally, from buying mops to replacing light bulbs, which delayed services. With DFF, facilities will now be able to address their needs efficiently and even engage local suppliers. This is a significant reform for us. AFIDEP played a key role in providing us with the training.” District Medical Officer, Malawi.

At the national level, AFIDEP generated and translated critical evidence, including a budget credibility analysis, to inform health financing decisions. Using this evidence, AFIDEP engaged the Ministry of Health (MoH) on the implications of the country’s health financing landscape. The analysis highlighted key issues, notably a mismatch between the country’s disease burden and health budget allocations, as well as inequities in resource distribution across districts irrespective of need.

As a result, in FY 2025/2026, the government implemented notable increases in health sector funding:

- Total health budget rose from US\$425 million to US\$451 million
- Primary healthcare funding increased from US\$ 132 million to US\$ 142 million

These results demonstrate how data-driven advocacy can unlock domestic resources even in constrained fiscal environments.

2025/26
national budget
US\$420 million



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Strengthened capacity at Zambia’s Ministry of Health puts health financing back on the country’s political agenda

In Zambia, AFIDEP’s efforts contributed to a 12% increase in primary healthcare funding, from US\$278.8 million in 2024 to US\$312.3 million in 2025/2026 FY.

A key area of impact was the strengthening of the MoH’s capacity to lead health financing reforms, including the re-establishment of the Health Financing Unit that had been abolished in 2021. Appreciating AFIDEP’s support, the Assistant Director at the Ministry of Health in Zambia noted that:

“AFIDEP’s support was instrumental in facilitating the re-establishment of the Health Financing Unit within the ministry. We also acknowledge the contribution of the Health Economist embedded within the ministry by AFIDEP, who provides day-to-day technical input working with our team.”

AFIDEP’s Economist embedded at the MoH led the implementation of the roadmap, which:

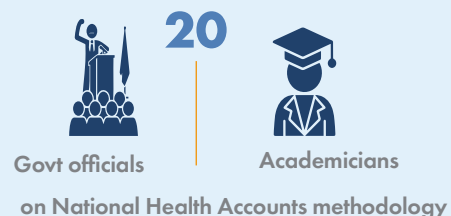
- Developed and rolled out an equitable District Resource Allocation Formula to ensure need-based funding for primary healthcare
- Formulated guidelines for managing hospitals’ internally generated funds (IGF) to improve accountability and service delivery
- Produced the Health Sector Resource Mapping Report and National Health Accounts (2017–2021) to inform planning and budgeting
- Built sustainable local capacity by training over 20 government officials and academicians in National Health Accounts methodology

The IGF guidelines provide a comprehensive framework that health facilities should follow in collecting, managing, and utilising IGFs. The aim is to ensure that funds generated locally are reinvested into improving service delivery, including purchasing medical supplies, repairing infrastructure, and hiring contract staff.

“The process of developing the guidelines was participatory and inclusive,” noted the Assistant Director at MoH Zambia.

The guidelines were rolled out in January 2025. Since then, health facilities have begun implementing standardised practices in generating and using IGFs.

Strengthened the capacity of more than





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Advancing sustainable noncommunicable financing in Sub-Saharan Africa

As the host of the Financing Accelerator Network for NCDs (FAN) Sub-Saharan Africa Accelerator since 2024, AFIDEP supports countries such as Kenya, Somalia, Uganda, Malawi, Cameroon, and Ghana in developing innovative and sustainable financing solutions for non-communicable diseases. Our work focuses on generating and translating evidence, providing technical assistance, and facilitating cross-country learning to strengthen health financing systems. Through this, AFIDEP helps advance practical financing reforms, close funding gaps for NCDs, and improve equitable access to prevention, treatment, and care services across Sub-Saharan Africa. This initiative is supported by the World Bank and Access Accelerated, with Results for Development serving as the Network Manager.

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Strengthened surveillance and pandemic preparedness in Kenya

In 2025, AFIDEP generated evidence to strengthen Kenya's and Zambia's surveillance and pandemic preparedness and response (PPR) systems. Through financing gap analyses and system assessments, the Institute found that preparedness efforts remain underfunded, fragmented, and heavily reliant on donors, with significant gaps in laboratory capacity, workforce, and budget execution efficiency. By engaging policymakers and stakeholders, AFIDEP helped elevate the case for increased domestic financing and more coordinated pandemic preparedness systems. The impact of this work lies in shaping policy dialogue toward sustainable, country-led investment in surveillance and pandemic preparedness as a core pillar of health security in both countries. This initiative was supported by the Gates Foundation.



AFIDEP's support was instrumental in facilitating the re-establishment of the Health Financing Unit within the ministry.

Assistant Director at MoH, Zambia

Conclusion

AFIDEP's work shows how evidence generation, technical assistance, capacity strengthening, and advocacy can drive reforms in health financing systems.

It has supported increased domestic resource allocation, improved efficiency and accountability in health spending, and strengthened institutional capacity for sustaining reforms.

Moving forward, AFIDEP will deepen engagement on domestic health financing with regional platforms such as the African Union, East African Community (EAC), Southern African Development Community (SADC), Economic Community of West African States (ECOWAS) and Intergovernmental Authority on Development (IGAD) to enhance accountability among member states in the allocation and use of healthcare resources.

The Institute will also engage civil society organisations to reinforce broader accountability for health financing reforms across Africa.

Collectively, these efforts aim to build more resilient, equitable, and domestically financed health systems and accelerate progress toward UHC.

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