Financing of Nutrition Specific Interventions: Implications for Program Decision Making

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Presentation Outline

• Context and objectives of the Budget Expenditure Review
  – of nutrition interventions of Integrated Child Development Services (ICDS) and National Health Mission programs

• Methodology
• Key findings
• Implications for program decision making
Context and Objectives

• Lack of reliable budget expenditure data, limits the government’s ability to incorporate an evidence-based understanding of nutrition into its budget planning and review process.

• Objectives of the Budget Expenditure Review:
  – Understand if government allocations are in line with prioritized nutrition interventions.
  – Insights on the budget management process.
  – Assess allocation and utilization trends.
Methodology for Budget Expenditure Review

• Poor performing states:
  – Jharkhand, Madhya Pradesh

• Well performing state:
  – Tamil Nadu

• Quantitative budget allocations and expenditure data for 3 previous FYs in identified states was reviewed.

• Qualitative interviews at state levels were conducted.

• Excel tool developed, that collates and presents data in a user friendly manner:
  – Finding, extracting, cleaning, standardizing, categorizing and developing into dashboards

• Limitations:
  o Restricted to published data
  o Data insufficiency and incompleteness
Key Findings

• States employ different systems and strategies for developing program budgets
• ICDS and NHM allocations and expenditures vary across the three states.
  – Contrary to belief, all the three states were generally found to have high budget utilization rates for ICDS
  – The high budget utilization rates however conceal gaps in program design and implementation
• Budget formats do not disaggregate by target groups
  – ICDS allocated budgets equally across target groups children < 3, > 3, adolescents, pregnant and lactating women, and women.
## Key Findings

- **State-Wise NHM Budget Estimates by Intervention 2016-17 (₹ million)**

<table>
<thead>
<tr>
<th>Intervention</th>
<th>Tamil Nadu</th>
<th>Madhya Pradesh</th>
<th>Jharkhand</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIDCP</td>
<td>1.60</td>
<td>5.50</td>
<td>3.10</td>
</tr>
<tr>
<td>WIFS</td>
<td>43.98</td>
<td>7.24</td>
<td>4.18</td>
</tr>
<tr>
<td>FBNC</td>
<td>352.14</td>
<td>661.47</td>
<td>168.57</td>
</tr>
</tbody>
</table>

**World Bank Group**
Key Findings

- **State-Wise ICDS Budget Estimates by Line Item Mix 2016-17 (₹ million)**

<table>
<thead>
<tr>
<th></th>
<th>Tamil Nadu</th>
<th>Madhya Pradesh</th>
<th>Jharkhand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Procurement/Service Provision</strong></td>
<td>52</td>
<td>7817</td>
<td>9324</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>504</td>
<td>1637</td>
<td>5</td>
</tr>
<tr>
<td><strong>Infrastructure/Equipment</strong></td>
<td>539</td>
<td>16032</td>
<td>1264</td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
<td>9725</td>
<td>2756</td>
<td>3948</td>
</tr>
<tr>
<td><strong>Communications</strong></td>
<td>4</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td><strong>Administrative Costs</strong></td>
<td>153</td>
<td>267</td>
<td></td>
</tr>
</tbody>
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**Source:** World Bank Group
Key Findings

• Increased center-state devolution has had no noticeable impact on state ICDS and NHM budgets
• Lack of adequate funding and flexibility hampers program innovation and restricts targeted interventions
Implications for Program Decision Making

- Budgeting exercise is not undertaken by
  - age groups
  - interventions
- Unit costs are not known
- Limits prioritization for nutrition outcomes
Implications for Program Decision Making

• To support planning for and implementation of priority nutrition interventions
  – Plan by age group and interventions
  – Need to have clear definitions for program components
  – Build and streamline processes for:
    • Budget planning to achieve key nutrition results
    • Regular review of expenditures for corrective actions

• Advocate to key decision makers and influencers to make data available in sufficient granularity to allow for analyzing efficiency