

Financial Management Reforms, Challenges & Opportunities

Ministry of Health and Human Services

Presentation to Health Sector Coordination Meeting

Feb 1, 2021



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**** Kindly all questions are taken towards the end.**



The Administration and Finance Department is servicing increasing needs.

The role of the Ministry of Health and Human Services is expanding. More is being expected of the ministry. This applies to the ministry's role in working closely with partners, as well as, increasingly, seizing opportunities to manage health service delivery.

Current challenges

- Covid-19 global health pandemic
- Continuing security challenges
- Economic impact due to lock down
- Personnel and management changes
- Severe resource constraints

Current opportunities

- New financing/ programs that require much of the Ministry including:
 - Female Health Workers managed by government
 - Contingency Emergency Response Component (CERC) of the Somali Crisis Recovery Project supported the World Bank
 - Damal Caafimaad Project, which will see government lead EPHS delivery.
- The need to reform the Financial Management & Procurement systems to ensure that it is fit for purpose was also identified as one of the top MoHHS priorities
- Influx of emergency supplies, bringing focus to structured supply chain management
- Continued partner support to Ministry efforts to strengthen Somalia's health system



Immediate Financial Management needs to be served

4) Improved transparency & accountability to all stakeholders

1) Fiscal planning to safeguard sustainable operations under severe resource constraints



3) Value for Money, and identify best combination of economy and efficiency in delivering services

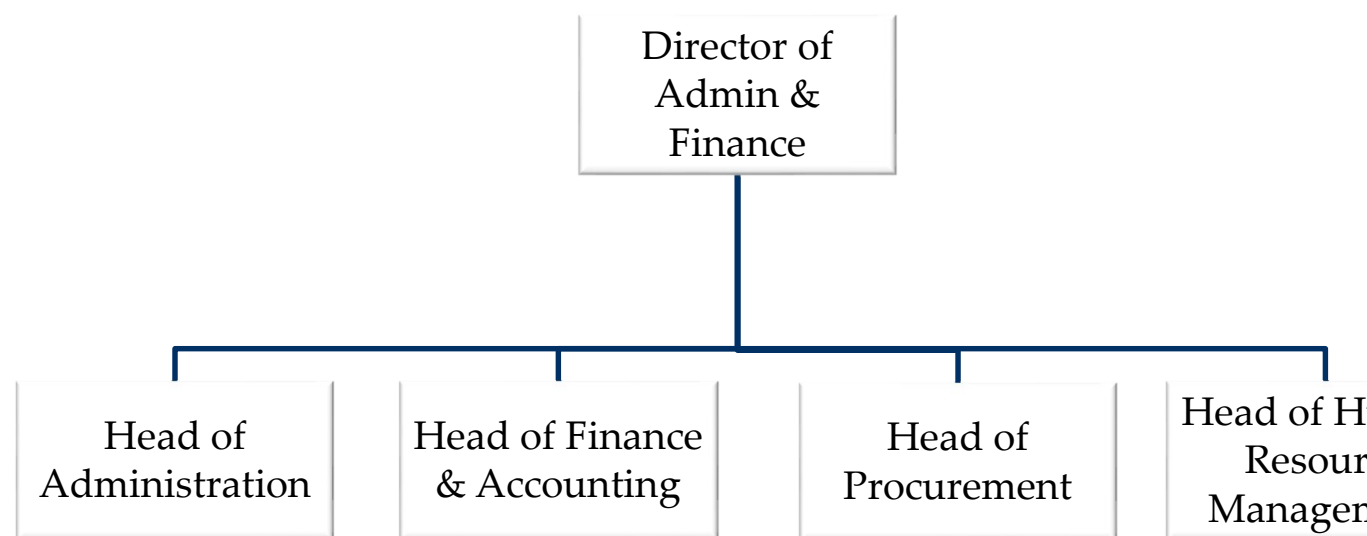
2) Appropriate allocation of resources based on MoHHS's strategic priorities and aligned to external financing requirements



The structure of the Admin and Finance Department has been revisited and renewed.

The human resources section has been restructured with functions including HR recruitment, administration and employment. The number of staff has been reduced, and a payroll approach to be implemented is necessary.

The needs to be served by the admin, financing/accounting, procurement and HR functions are becoming more complex, as are ambitions of the Ministry to meet these needs.



Renewed team at the
Administration and
Finance Department



Foundations of a new financial management function built in 2020



Senior Leadership commitments:

Senior management from the MoHHS identified the need to reform and secured short-term technical assistance to support initial, critical, reforms and to support the finance and admin staff.

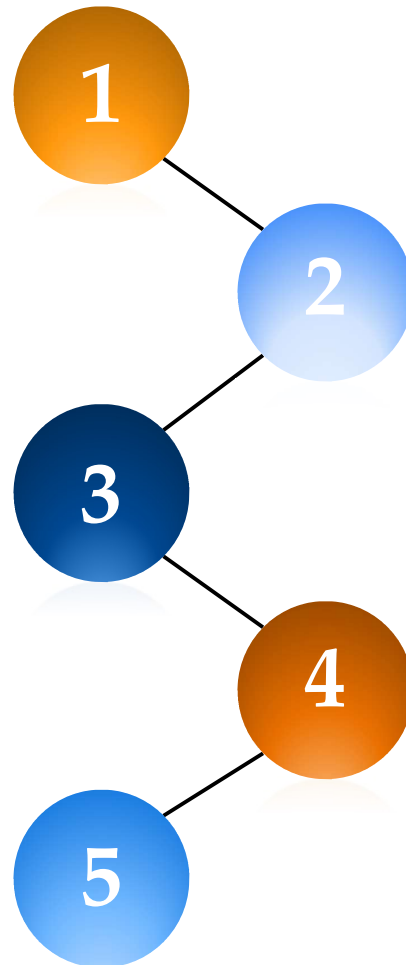
Systems

A depth and rapid review of the current MoHHS accounting systems and their usage. Re-engineering to meet tech support to needs, including transition to a cloud-based solution, that consolidates on-budget & off-budget funding & expenditures, and enables transparency and accountability.

People

Roles & responsibilities have been reviewed and are to be adjusted.

Where human resource constraints will present increasing difficulties as demands and expectations grow.



Reviewed existing approaches

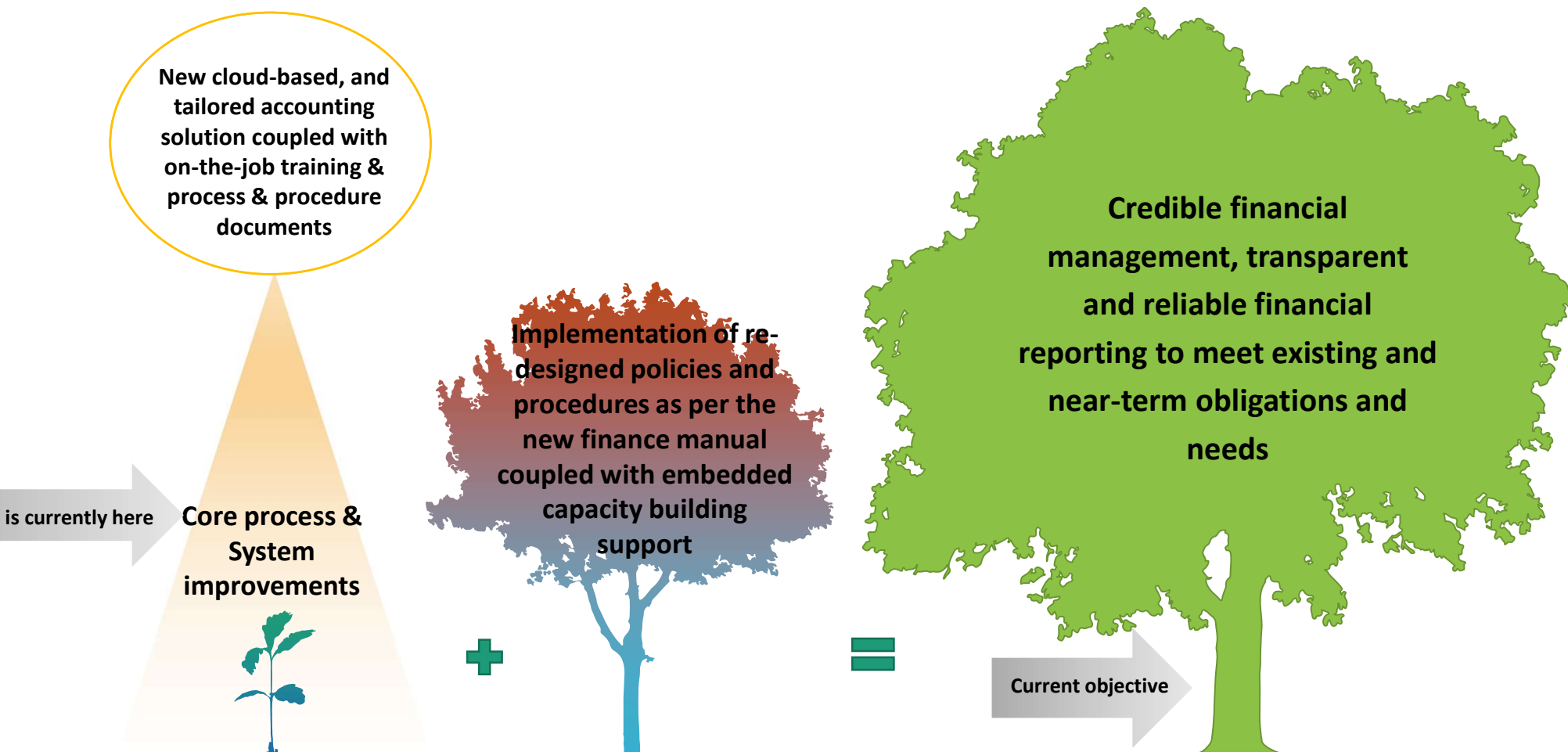
An end-to-end review of the existing procurement to pay cycle identified immediate and longer-term improvement opportunities. Change actions were taken to fill critical gaps. This was not a paper exercise to understand what was not working, but a practical exercise of designing and implementing new measures to fix the issues.

Process & Procedure:

A policy, process, and procedure review highlighted the need to develop practical and tailored finance & procurement guidance to support both on and off-budget funding & expenditures. A draft manual is to be piloted and possibly adapted, prior to finalization.

**“Fixing the
Helicopter while it is
flying”**

Foundations enable clear near-term ambition for financial management

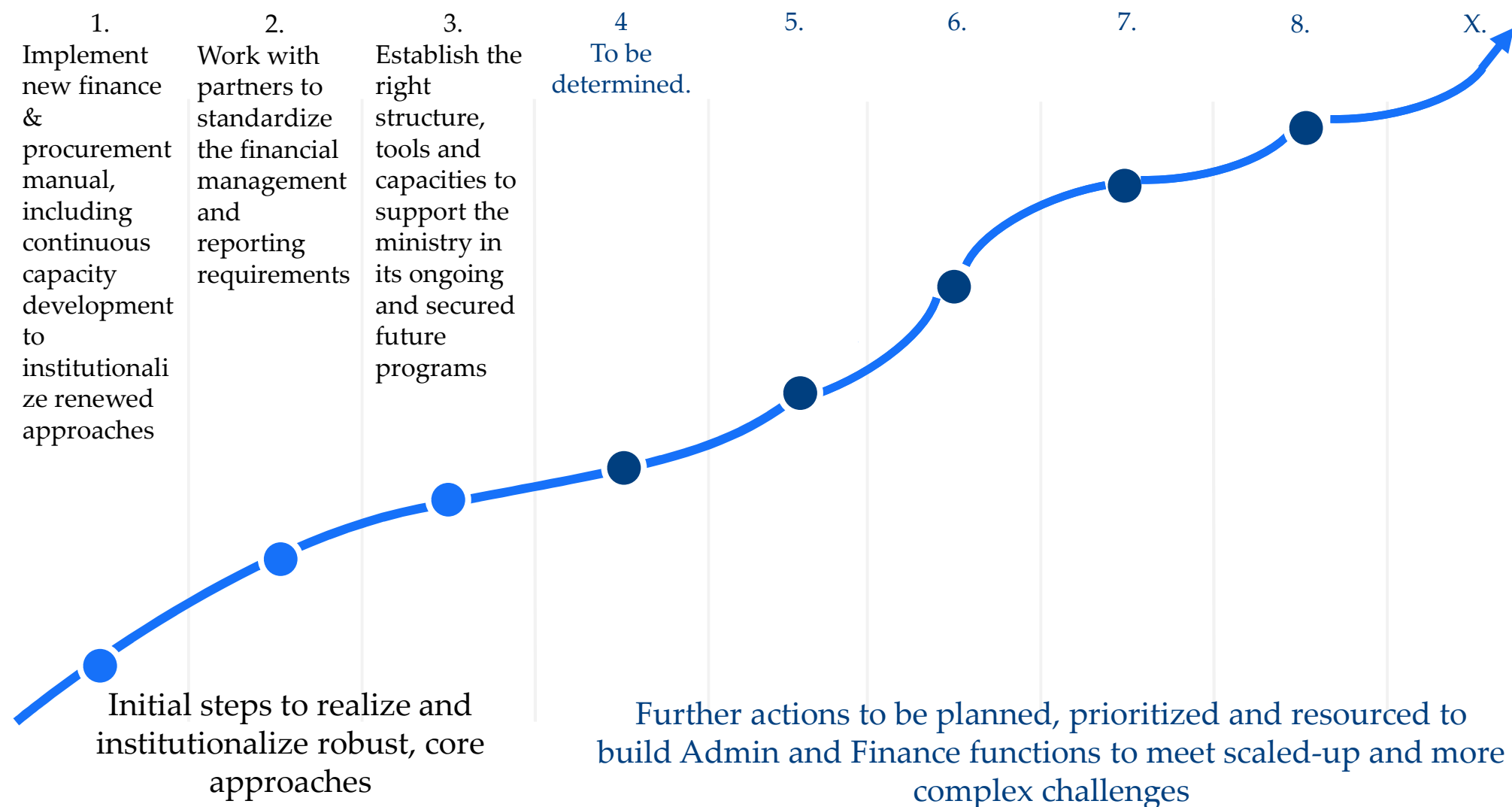


The commitment from senior leadership lays the foundation for sustainable financial management.

*****WE ARE SERIOUS & COMMITTED TO MAKE FM REFORM REALITY!**

Short-term actions to institutionalize enhanced financial management

Ministry of Health & Human Services





Demonstration of MoHHS Cloud-based FM System

