



TERMS OF REFERENCE

CONSULTANCY TO CONDUCT AN ANALYSIS ON HEALTH FINANCING DYNAMICS IN THE WAKE OF DWINDLING DONOR FUNDING IN UGANDA

1. CONTEXT AND INTRODUCTION

Uganda's National Vision 2040 recognizes that a strong and accessible health system is essential for sustainable national development, economic growth, and social well-being. The health sub-programme is incorporated in the Human Capital Development (HCD) programme as a key driver of the national development agenda according to the Fourth National Development Plan (NDP IV), 2025/26 -2029/30. To ensure this, notable strides in improving health outcomes were registered with incremental budget allocations from UGX 3,331.02 billion in FY 2021/22 to UGX 4,168.41 billion in FY 2024/25. It's worth noting that the health sub-programme has been largely supported by substantial donor funding of approximately 45% of the development budget posing sustainability risks in the face of shifting global funding priorities¹. The Auditor General's Report (2023) highlights the dangers associated with overreliance on external financing, including the potential for funding disruptions due to changes in donor priorities or global economic conditions. Indeed, the current funding trend shows a significant decline in external donor support, which poses serious risks to the sustainability of health service delivery.

This comes at a time when NDPIV has just been launched where the health sub programme is expected to play a critical role in achieving objective 3 of the HCD Programme in terms of improving population health, safety, and management. These developments, therefore, warrant a comprehensive analysis of Uganda's future health financing landscape amidst the withdrawal of external funding requiring propositions of sustainable domestic financing alternatives to ensure the resilience and robustness of the health system.

2. RATIONALE

The Ministry of Health budget for FY 2025/2026 reveals heavy reliance on external financing, with UGX 1,125.723 billion allocated for development projects funded by external partners. This represents 82.5% of the total development budget, leaving only 17.5% to be funded by the Government. While external financing is essential for addressing the funding gaps in the health sector, overreliance on donor funds undermines the sustainability of Uganda's healthcare system. The health sector in Uganda is already experiencing difficulty in supporting key health programs following the termination of USAID funding. Some of the key programmes affected include: (i) HIV/AIDS (UGX 243.2 billion), (ii) malaria control (UGX 121 billion), (iii) human resources

¹ Parliament of Uganda (2025). Health Alternative Policy Statement FY 2025/26, March 2025.

support (UGX 67.8 billion), (iv) tuberculosis (UGX 60.2 billion), (v) health information systems (UGX 36.9 billion), (vi) health care waste management (UGX 22.2 billion), (vii) laboratory systems (UGX 35.4 billion), (viii) nutrition services (UGX 16.5 billion), and (ix) neglected tropical disease (UGX 0.78 billion)². This will negatively affect health service delivery and reverse the progress that has been made by the government on the delivery of health services.

On the other hand, National Medical Stores in Uganda is mandated to procure, store, and distribute essential medicines and medical supplies to all public health facilities in the country. However, the expiry of drugs amidst stockouts has persisted. The OAG audit Report, 2024 revealed that medicines worth UGX.316.65 billion, including COVID-19 vaccines, ARVs, test kits, and related supplies, were expired, representing an 860% increase from UGX.33 billion worth of expired drugs in FY2022/23. This leads to financial loss to the government, directly impacting health service delivery as evidenced in the deficits in meeting the health facilities' demands.

Given this paradox, the Uganda National NGO Forum (UNNGOF) seeks the expertise of an independent consultant to analyze Uganda's health financing dynamics in the wake of dwindling donor funding. The analysis will also identify critical interventions for sustainable health financing to inform future advocacy engagements.

3. OBJECTIVES

- a) To analyze trends and patterns in health financing in Uganda over the past 5 years.
- b) To determine the effect of declining donor funding on Uganda's health programmes.
- c) To identify health financing options and recommendations for the sustainability of Uganda's health system.

4. SCOPE OF THE ASSIGNMENT

Overall, the assignment will entail undertaking an in-depth analysis of health financing dynamics in Uganda, with a focus on assessing the implications of dwindling donor funding. Exploring potential and sustainable resource mobilization strategies will be key while providing actionable recommendations to improve efficiency in health sector financing.

More specifically, the consultant will undertake:

- a) Literature and data review of government documents, budgets and relevant studies on health financing in Uganda.
- b) Health financing mapping of funds allocation and expenditure, and sources and flow of health funds (public, private, external, and out-of-pocket).

² CSBAG (2025). CSO Position paper on the Health Sub Programme FY2025/26 Budget, Presented to the Uganda Parliament Committee of Health, March 2025

- c) Evaluate donor funding trends/donor disbursement records, and effect of funding reductions on key health programs.
- d) Make actionable policy recommendations for improving health financing sustainability.

5. KEY TASKS AND EXPECTED DELIVERABLES

The consultant will be expected to deliver on the following.

- a) Develop an inception report on how the assignment will be undertaken (detailed methodology, work plan, and data collection approach).
- b) Carry out a desk review on the effect of external financial withdrawal from the health sector.
- c) Develop the draft CSO analytical report with sustainable health financing in Uganda to inform CSO's continued advocacy on the interventions for implementation by Government.
- d) Present the CSO paper at a meeting with the Ministry, Departments and Agency (MDA) officials and other stakeholders for adoption.

6. TIME FRAME

The overall duration of the consultancy is estimated to be **14** working days from the time of signing the contract.

7. EXPECTED MILESTONES

- a) Inception report
- b) First Draft Report
- c) Stakeholders Dialogue – MDA officials, CSOs and citizens.
- d) Submission of Final Report

8. REQUIRED QUALIFICATIONS, SKILLS AND EXPERIENCE

Qualifications and skills

- a) Master's degree in the field of health economics, public health, health policy or any other relevant
- b) Demonstrates analytical, report writing skills and presentation skills.

Professional experience

- a) The consultant should be knowledgeable about Uganda's health financing system and have a minimum of 10 years of experience in health financing analysis or similar assignments.
- b) Excellent knowledge and engagement in the health sub-programme planning and Budgeting process of Uganda.
- c) Proven experience in research and policy-related analysis, and or facilitating national-level policy/ strategic workshops.
- d) Knowledge of Ugandan government health agency and development partners' operations and procedures is an added advantage.

9. HOW TO APPLY

The Consultant should submit the following:

- a) A detailed (a) technical proposal (Not more than 5 pages) with the following components:
 - Understanding and interpretation of the TORs.
 - Statement of capability by the Consultant.
 - Methodology to be used in undertaking the assignment.
 - Clear work plan including outputs/deliverables and detailed time frames.
- b) A curriculum vitae (CV) that highlights the Profile and experience of the Consultant.
- c) A financial proposal (in Ugandan shillings) highlighting total costs as per man-day rates, and any other costs anticipated in undertaking the process of the assignment.

10. SUBMISSION

Full Technical and Financial proposals should be sent via email by the close of business on **27th June 2025**.

Proposals should be addressed to:
Executive Director
Uganda National NGO Forum (UNNGOF)
Plot 25, Muyenga Tank Hill Road, Kampala.
Email: procurement@ngoforum.or.ug