

Learning Brief

The flow of Philippine funds for health research and development



This learning brief provides a summary of and presents the major conclusions of the Philippine component of a multi-country study on the flow of funds for health research and development (R&D) that also involved Malaysia and Thailand. The study, funded by COHRED and to be completed by mid-2000, will develop a generic methodology for health R&D fund flows that can be replicated in other countries. The study in the Philippines attempted to:

- trace the flow of health R&D resources in the Philippines;
- determine if a system for setting health R&D priorities exists;
- see if health R&D funds match the priorities of the research agenda.

Methods used:

The framework used to study the flow of resources follows a source-user framework. Sources of funds are categorised as government budget, private sector funding, and bilateral/multilateral funding agencies. On the users side, the following are seen as the major players:

- In the public sector there is the Department of Health (DOH), Department of Science and Technology, Department of Education, Culture and Sports, academic/research institutions, and hospitals;
- In the private sector there are academic/research institutions, health care providers, pharmaceutical firms, and non-governmental organisations.

Data was collected by analysing secondary sources and through the use of structured questionnaires that solicited primary data from resources and users of health R&D funds.

Highlights of the findings:

- ◆ In the Government's budget for 1996, health resources accounted for 19%, while R&D resources had a meagre share of less than one percent.
- ◆ Resources for health R&D amounted to 17% of total R&D resources, and one percent of overall health resources.
- ◆ The respondents to the survey indicated that the largest share of funding for health R&D came from the private sector (45%), led by private hospitals (29%).
- ◆ In terms of fund users, 56% of health R&D funds were utilised by the private sector and the remainder by the Government.

The study brought to light the key issues set out below that need to be addressed, if the flow of funds for analysis of health R&D is to be made an integral component of Essential National Health Research.

Measurement of Health R&D fund flows:

First to be addressed are measurement issues that will reinforce the validity of the results of similar studies. A major task to be carried out is the enumeration of all, or at least the biggest participants, in the health R&D arena. Until this universe of funding sources, users, and operative funds is identified, no compelling argument based on data and statistics can be made to develop policies directed towards the size and allocation of health R&D funds.

The measurement of health R&D calls for a mechanism, in fact an institution, with the necessary capability and infrastructure for sustained and consistent monitoring over the years. Possible candidates are the National Statistical Office or the DOH.

Coordination mechanism for matching funds with priorities:

One strength of the ENHR mechanism in the Philippines is the presence of a dynamic priority-setting process for health research that in theory brings together the relevant stakeholders in health research. Despite the presence of this priority-setting process, the survey findings showed that the research priorities set by the DOH-ENHR and the Philippine Council for Health Research and Development (PCHRD) did not necessarily obtain the most funding. In fact these research priorities were supported only by funds channelled through PCHRD and DOH-ENHR.

It is clear that linkages for an effective priority-setting process have to be enhanced to generate additional funding from government sources for national health R&D priorities. These linkages, or intersection points, can range from basic dissemination of national health R&D priorities to advocacy and policy-oriented discussions

among policy-makers. The private-for-profit sector will most likely continue to look at market forces to drive its health R&D, but government as well as non-government organisations will want to relate to national health R&D priorities. So will bilateral/multilateral organisations attuned to ENHR through global ENHR initiatives. Once aware of the commitment of policy makers to national health R&D priorities, they are likely to be encouraged to support them as well.

Further reading:

- ➔ Resource flows for health research and development: the Philippine case, interim report; Centre for Economic Policy Research; 1999.

Contact information:

Dr Bienvenido Alano

Center for Economic Policy Research
Suite 309, 3rd Floor, JR Bldg., 1520 Quezon Avenue,
Quezon City, Philippines
Phone: +632 415 2156
Fax: 632 410 5200
Email: cepr@mozcom.com

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COHRED
c/o UNDP

Palais des Nations
CH1211 Geneva 10
Switzerland

Phone: + 41 22 917 8558

Fax: +41 22 917 8015

Email: cohred@cohred.ch

Website: <http://www.cohred.ch>