

Health research expenditures: essential information for rational decision-making

The aim of this policy brief is to outline how, by monitoring domestic health research expenditures, policy-makers can provide themselves with information to ensure that their investments in health research deliver maximum value for money.

Many developing countries allocate considerable funds to supporting health research, but the rate of returns on these investments, in terms of improving population health, can be poor. National research agendas can be skewed towards commercial and international priorities, ignoring important national health problems. By monitoring domestic expenditures on health research, policy-makers can assess the payback from their investments and develop policies that direct national research towards national needs. Established tools are available and can be introduced at low cost to inform this process.

Only a small proportion of global funds for health research are devoted to the problems of developing countries. Estimates suggest that less than 5% of all expenditures are allocated to health research that addresses these problems.¹

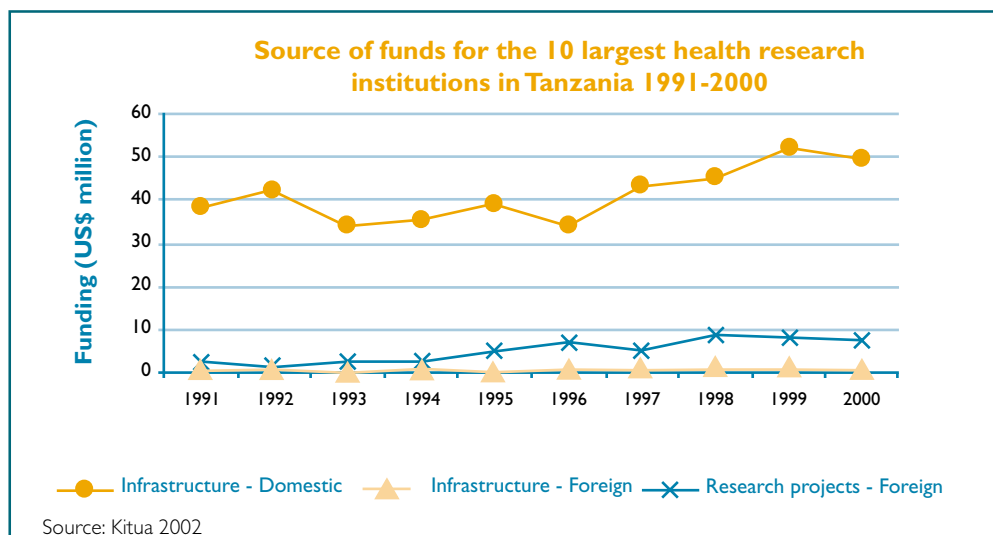
Developing countries invest the majority of funds on research to address their health problems

It is an often-overlooked fact, but the majority of funds for research conducted on the health problems of developing countries, comes from resource poor countries themselves. Globally it is estimated that they contribute 65% of these expenditures.²

However, as the example from Tanzania shows, funds are often tied up in supporting the national health research infrastructure,³ and when expenditures on human capacity development are also taken into account the share of investments made by developing countries increases further.

Many resource poor countries receive low rates of return for their investments

Although considerable, developing country expenditures are often used to fund low salaries and poor quality facilities. By failing to tie expenditures to research deliverables, southern policy-makers hand decision-making powers to the northern donors relied upon to fund research projects. The international health research community can, therefore, have an undue influence on the national health research agendas of many countries. This can lead to a skew in the focus of the research, away from national research needs, towards the priorities of the international community. International health research priorities focus on just a few of the major health problems suffered by developing countries. The research they fund also tends to have long-term aims. It provides little research of practical relevance to health practitioners and policy-makers trying to improve the health of their populations today.

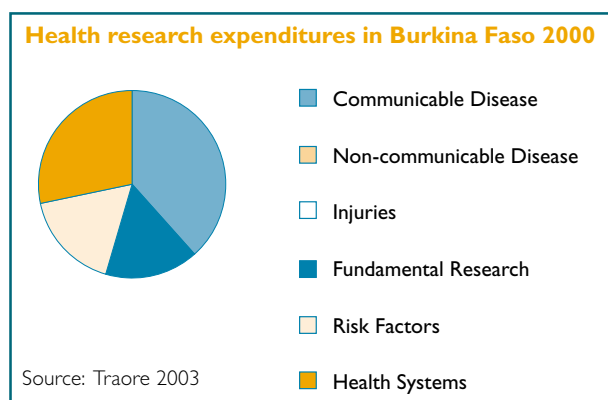


Information on health research expenditures allows policy-makers to monitor national efforts

Thus, to allow policy-makers to assess whether they are getting value for money from their national health research investments, data on financial flows are essential. This can provide information on:

- ◆ the organisations that fund research and the activities funded (infrastructure/projects),
- ◆ the organisations that conduct research and the type of research conducted,
- ◆ whether the major health problems of the country are being addressed,
- ◆ whether funds are allocated to the areas identified as of greatest need.

A study conducted in Burkina Faso in 2000, identified no expenditure on health research for either non-communicable diseases or injuries.⁴ These two problems contribute 28% of the disease burden for African countries like Burkina Faso.⁵



Data on health research expenditures are, therefore, an essential element in the process of identifying and setting national health research priorities and increasing the responsiveness of research efforts. They can also provide valuable evidence to inform the monitoring and evaluation of national health research systems and improve accountability.

In addition, this information can be used to develop funding strategies that make best use of national resources and opportunities provided by

international sources, to target local health research priorities. It can strengthen arguments for more funds for research and inform decisions to ensure that it is spent more wisely.

It demonstrates the national commitment to health research, and a strong commitment can be a powerful tool in negotiations with foreign donors. More equal collaboration will be necessary if northern and southern partners are to work together to solve the problems impeding progress towards the achievement of the Millennium Development Goals.

The end of year review of financial accounts is a routine element of business practice. How can health research policy-makers manage without this information?

Evidence on expenditures is essential to maximise value for money from health research investments

Low cost data collection mechanisms, suited to countries with different levels of capacity and infrastructure, can be introduced to provide policy-makers with this information. Along with a series of other simple tools, integrated into long-term development strategy for national health research systems, information on financial flows for health research can help policy-makers increase the payback from national investments. COHRED has acquired considerable know-how in this field and can provide advice, expertise and training as and where needed.

References

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