



An Analysis of the

GENERAL STATE BUDGET 2023 Health and Child Survival

KEY MESSAGES



The General State Budget for 2023 is estimated at around **20.1 trillion kwanzas** and the **health** function is expected to receive an allocation of **1.3 trillion kwanzas**, which is equal to **6.7%** of the total OGE.



Despite not reaching the Abuja target (15% of the OGE allocated to the health function), it is important to note that the **2023 health budget is the largest health budget in the country's history**, reflecting the government's efforts to improve budget allocation to health.



From an annual perspective, in 2023 the State has budgeted expenditure in nominal terms of around **39,392 kwanzas (<75 USD at time Budget was approved) per person** to deal with health and well-being.



The execution of the Health budget **averaged only 71% of the budgeted amount between 2017 and 2021**, but in **2021** there was an **execution rate of 95%**, an example of the executive's recent efforts.



The budget line for **Public Health Services** receives the largest allocation, with an average of **62%** of the health budget over the **last 5 years**, and **59%** of the **2023 health budget**.



In terms of the government's challenges and the need to increase the budget to meet these challenges or priorities, the percentage of the **health function is progressively increasing**. At least from 2019 to 2023, the weight of the health function in the total OGE increased by 1.1 p.p., from 5.6% to 6.7%, which is still far from the Abuja target, which establishes that the budget for the health function should represent **at least 15% of the total OGE**.

RECOMMENDATIONS

01 Gradually increase the share allocated to health expenditure to reach the Abuja target of 15%

02 Establish a multisectoral operational body to coordinate the national strategy for food and nutritional security

03 Ensure the predictability of the budget to sustain long-term development strategies in the health sector

04 Restructure the nutrition indicators and align them with international recommendations

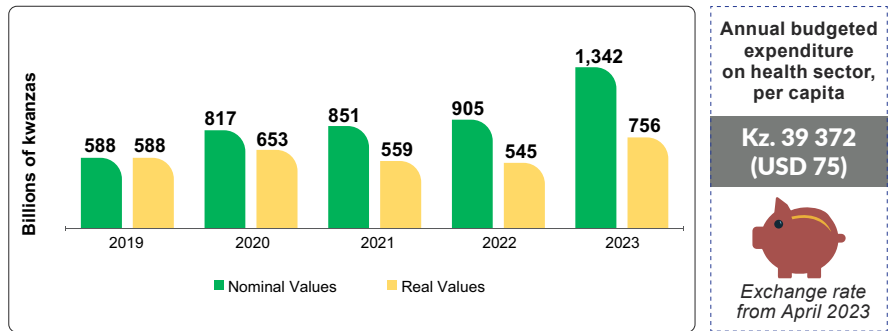
05 Create an evaluation system for tracking results in the health sector

06 Actively invest and increase involvement regarding the monitoring of health indicators

07 Continue to improve Accountability and Budget Detail

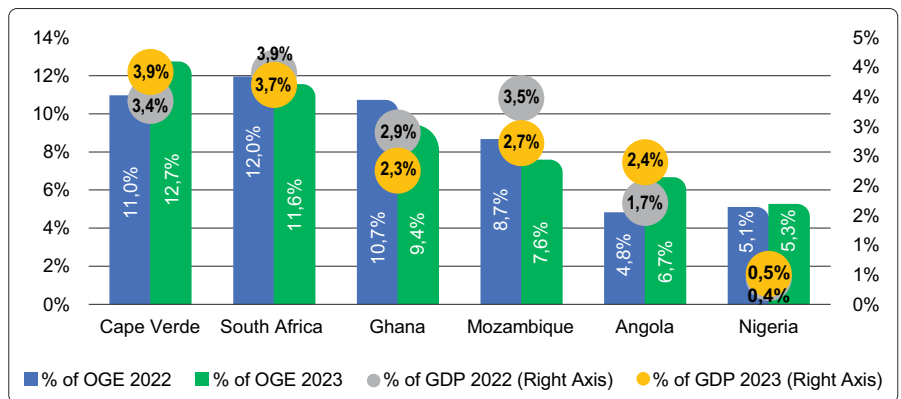
08 Increasing expenses with routine vaccination and financial analysis of the cost-effectiveness of interventions

Graph 1 | Budget Allocation for Health



The budget for the health sector in the period under review has grown in nominal terms. In 2023, the increase was around 48%, corresponding to 437 billion kwanzas, and resulting in a budget of 1.3 trillion kwanzas.

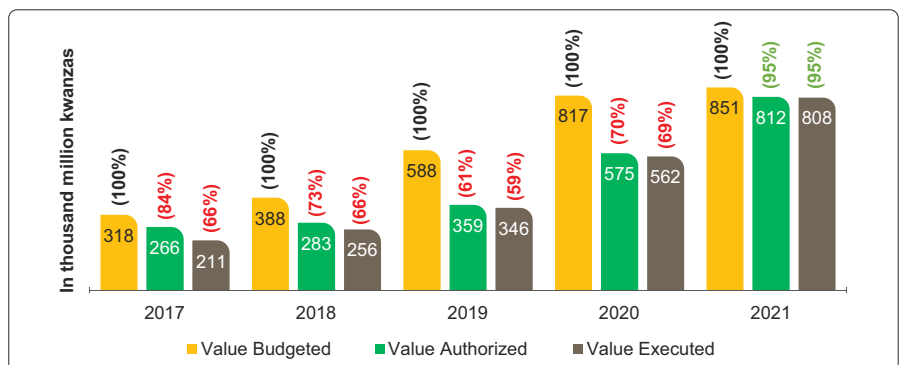
Graph 2 | Health Expenditure as a % of OGE and as a % of GDP - Selected Countries



Source: Self analysis based on the Ministry of Finance from each country 2022-2023

Approximately 12.7% of Cape Verde's 2023 budget will be allocated to the health sector, while Angola plans to allocate around 6.7% of its budget to health. It is important to note that among the countries observed, in the health sector only Nigeria plans to invest a lower percentage of its budget than Angola.

Graph 3 | Execution of the Health Budget



Source: Self analysis based on the CGE 2017-2021

On average, around 71% of the amount budgeted for health has been implemented and executed. Thus, 29% of the expenditure budgeted for health has not been executed. A positive note can be seen in the year 2021, where approximately 95% of the amount budgeted for the health function was executed, significantly reducing the dispersions identified in the other years.