**Theory of Change (ToC) for Norad’s portfolio on “****Health Systems Strengthening”**

**Why a portfolio for the specific topic?**

Over the past twenty years, Global Health Initiatives (GHIs) such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Gavi Vaccine Alliance and the World Bank affiliated Global Financing Facility (GFF) have succeeded in raising global health to political levels and mobilize sustained high levels of development finance for health. This has contributed to enormous progress in saving lives and improving the health of people in developing countries.

However, there is broad evidence of the weaknesses in health systems in low- and middle income countries (LMICs) as well as the way development assistance for health (DAH) has been provided to partner countries as disease- or issue-specific financing, combined with siloed implementation, has contributed to fragmentation at country level as well as short-term focus undermining local ownership and hampering health systems in terms of institutional and financial sustainability.

The global health context is increasingly complex with changing disease burden patterns and interlinked crises, where climate change represents maybe the greatest threat to global health and to the planet as such. However, there are also huge opportunities in terms of scientific discoveries and innovative technologies in health. Currently there are processes within global health to rethink how health ODA can meet these challenges while strengthening health systems. Norway is a key actor and is among the leaders in this process. A rethink is needed for how Norwegian ODA adds best value with the aim to better support LMICs to develop ***strong national health systems – here defined as country-led, equitable, climate-resilient and sustainable.***

The portfolio is in line the Norwegian Government’s priorities to gradually shift Norway’s health ODA towards health systems strengthening based on universal health coverage and primary health care, while integrating public health and health security. At impact level it will help countries reach SDG3 which aims at ensuring healthy lives and promote well-being for all at all ages.

**What will Norad contribute to?**

As a contribution to the ***longer-term outcome*** of strong primary health care focused health systems in LMICs, Norad will in the spirit of localization and in line with development effectiveness direct efforts towards two ***inter-related intermediate outcomes***.

1. *Increased country ownership and institutional capacity to prioritize, plan, finance and deliver across UHC/PHC, public health functions and health security*
2. *Global health initiatives align efforts and finance in support of country-led strategies and health plans*. This is an area where Norway has a track record of leadership and credibility and in which it invests 80-90% of its health ODA.

Norad aims at supporting targeted health systems strengthening interventions, such as capacity development in health information systems, priority setting, financing systems, human resources, public health functions, etc. Norad will gradually expand targeted institutional partnership efforts with a few countries (*TBD / tentatively Malawi, Ethiopia, Nepal, Tanzania + AU-CDC*) (outcome #1), a pre-condition for overall success but also relies on national leadership outside of Norad’s control.

A reorientation and coordination of the way global health initiatives and funds support (or at a minimum do not undermine) health systems strengthening will benefit all low- and middle-income recipient countries (outcome #2).

The two interrelated intermediate outcomes are expected to contribute to stronger and more resilient national health systems – setting LMICs on a path towards SDG3, ensuring health and health equity for all and transitioning from external aid.

**How will the interventions contribute to goal achievement?**

Based on Norad’s comparative advantages the focus is on **five interlinked intervention areas** critical for the intermediate outcomes.

**Three intervention areas are country-facing** and aim to support countries to develop their capabilities for health systems strengthening*.*

#1 Governance and finance:

This is about strengthening capabilities and processes for priority-setting and fair financing, health statistics and data, contributing to broader efforts for mobilization and allocation of domestic resources for health, and anti-corruption, transparency and accountability for results and trust.

#2 Universal health coverage - Primary health care (UHC/PHC):

This is about capacity to deliver integrated quality services and affordable financing at primary level (including SRHR and NCDs), human resources, innovation, and digital solutions and information systems for PHC, health commodities and community systems strengthening.

#3 Public health and health security:

This is about strengthening national public health institutes/functions and capacity for integrated disease surveillance and multi-sectoral actions in climate, applying One Health approach.

There is broad consensus on health systems weaknesses and the impact of the development partners, but far less agreement on solutions. **Intervention areas #4 addresses this lack of consensus at global level** by engaging in research and analysis, collectively identifying solutions and building alliances in support of reforms and actions for country-led health systems strengthening.

#4 Reorienting global health initiatives:

The Norwegian MFA, with support from Norad, is among the leads in the Lusaka Agenda aiming at reforming global health initiatives to improve coordination and alignment with country priorities and systems. The long-term perspective is the GHI ecosystem in 15–20 years, whereas medium term is changes needed to make this a reality. The outcomes will inform how Norway will strategically engage with and fund global health initiatives, multilateral agencies and regional institutions, including ahead of the replenishments of these from 2025 onwards.

Norad will identify and collaborate with various partners to build consensus and support a shift towards country-led health systems strengthening. This will include coalitions with partners, political processes, and targeted work with GHIs.

Previous attempts to coordinate health system strengthening through global health funds have not delivered significant results. There is also a risk that poorly designed and executed reforms may jeopardize funding to global health or weaken its effectiveness. **Intervention area#5 will therefore inform the other intervention areas**.

#5 Research and innovation for health systems strengthening

Norad will promote R&D for affordable health technologies and commodities, innovations for efficient and effective service delivery, and policy dialogue in a key priority area (for Norway), i.e., health policy and systems research including GHI operations at country-level and PHC; climate and health; and SRHR.