

AN INSIGHT INTO HSIP AND PHA'S IN PNG

(Inclusive of highlights from the WHO Situation Report No.63 jointly with the National Department of Health as at March 8th 2021)

PART 1: WHAT IS HSIP?

WHAT IS HSIP?

HSIP stands for Health Services Improvement Program. The HSIP Trust Account was established by the Health Sector Development Program in 1998 and became a major funding mechanism for development assistance to the health sector in PNG.

Development partners such as the Australian Government Department of Foreign Affairs and Trade (DFAT) provide support to the HSIP using systems established by the Public Finances (Management) Act 1995.

The HSIP Trust Account is managed by the National Department of Health (NDOH)

WHAT IS THE HSIP REPORTING PROCESS?

The Public Finances (Management) Act 1995 sets out the reporting process for Trust Accounts in PNG.

Under the act, the Departmental Head responsible for the trust account must do the following:

- At the beginning of every year submit to the finance minister an estimate of receipts and payments made to and from the account.
- Submit to the finance minister, 7 days after the end of each month, details of the accounts transactions.
- At the end of every year submit to the finance minister a statement of account.

TOTAL AMOUNT IN THE HSIP & SOURCES OF FUNDING

According to WHO's Health Situation Report Number 63 on the 8th of March 2021 (Reporting Period 1st-7th February 2021), the sources and total amount brought forward into the HSIP in 2021 is as set out below.

HSIP Brought Forward to 2021

Total: K41.05 million

Funding Sources Break-up:

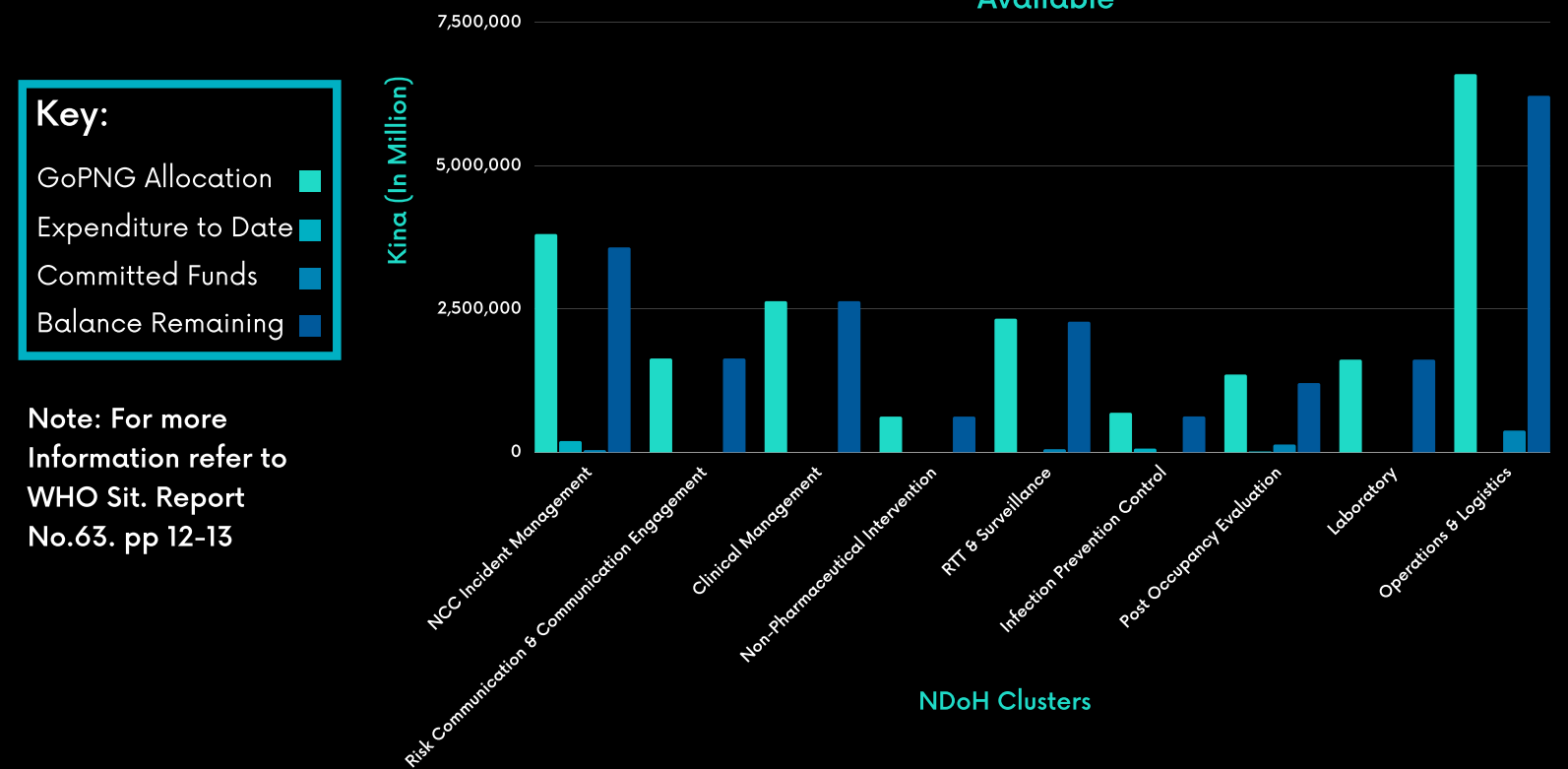
- GoPNG – PHA's - K 15,300,000
- GoPNG – NdoH Clusters - K 22,764,502
- DFAT - K 2,202,845
- Other Development Partners - K 783,654

The above figures relate to funds that were transacted through the NDOH HSIP Trust Account ONLY, it does not cover all COVID-19 support made available through other modes.

PROGRESSIVE EXPENDITURE SUMMARY OF GOPNG-NDOH CLUSTERS

K12.8 million remains as outstanding commitments brought forward to 2021. From the GoPNG's NdoH Clusters (K22,764,502), K1,600,125 will go towards settling outstanding commitments and the remaining K21,164,377 is expended as set out below.

NDOH Cluster's Allocation, Break-up and Balance Available



Key:

- GoPNG Allocation
- Expenditure to Date
- Committed Funds
- Balance Remaining

Note: For more Information refer to WHO Sit. Report No.63. pp 12-13

WHAT IS A TRUST ACCOUNT? AND WHY IS IT NECESSARY?



A Trust account is a financial or bank account where money and assets of a person referred to as a 'trustor' are looked after by a third party referred to as a 'trustee', for the benefit of another party known as a 'beneficiary'.

Trust accounts are set up for the purpose of providing protection over funds and assets of the trustor to make sure they are distributed according to their wishes, or the purpose for which they are intended.

The HSIP is a Trust Account, The Trustor's are Development Partners, The Trustee is the National Department of Health and the Beneficiary is the people of PNG.