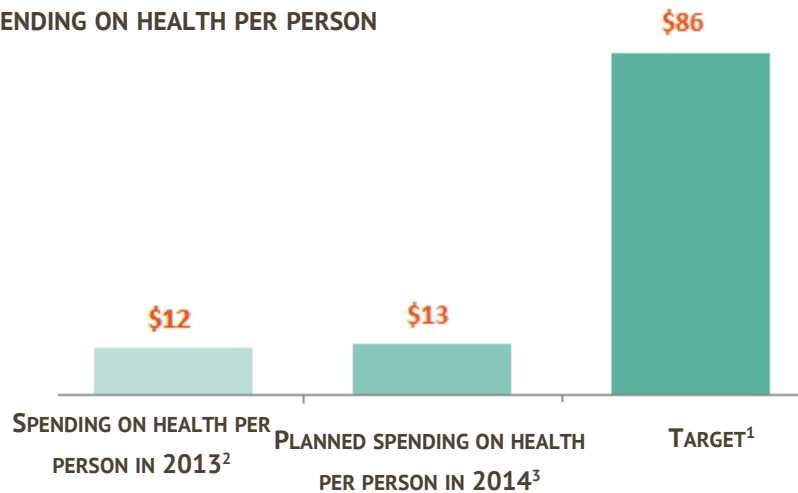


GOVERNMENT SPENDS 15% OF WHAT IS NEEDED ON EACH PERSON'S HEALTH

Governments need to spend **at least US\$86 (Le 370,373*)** per person in order to provide basic health services.¹ In 2013, the Government of Sierra Leone only spent **US\$12 (Le 59,395)** on each person's health.² Although the 2014 budget increased this to **US\$13 (Le 65,400*)**,³ health spending is still far from what is needed to provide basic universal healthcare.

SPENDING ON HEALTH PER PERSON



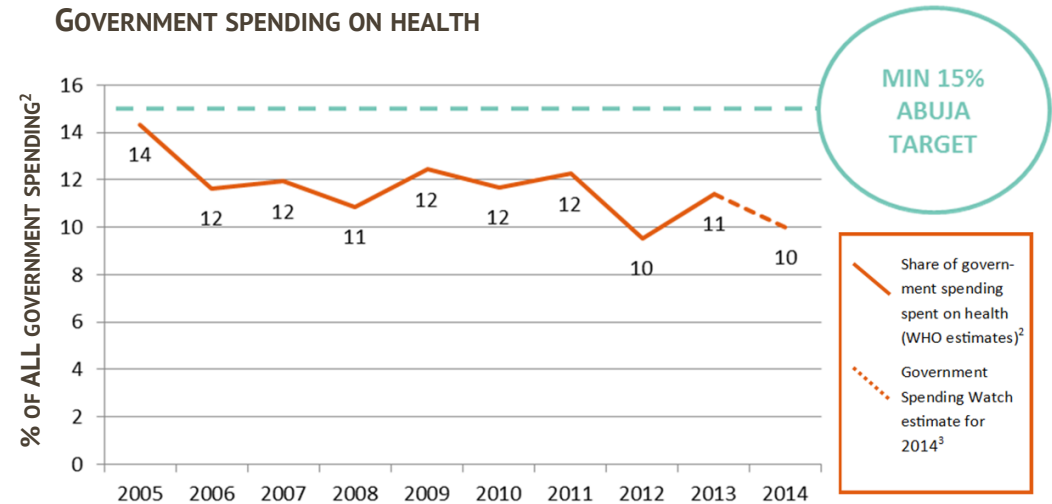
HOUSEHOLDS BEAR THE HEAVIEST HEALTH SPENDING BURDEN

Because the government spends so little, the burden of paying for health falls heavily on households. Despite the launch of the Free Healthcare Initiative in 2010, which aimed to allow pregnant and lactating women and children under five to access free healthcare, **61%** of all health spending in the country was spent by households up-front, without insurance, in 2013.² This is well over the recommended top limit of **20%**, meaning the poorest are sometimes excluded from care or pushed further into poverty by unsustainable payments.

NO SIGNIFICANT PROGRESS ON THE ABUJA PROMISE

The Government of Sierra Leone has signed up to the Abuja Declaration, committing to spend **at least 15%** of its government expenditure on health.⁴ By 2013 with **11.4%**² of government spending going on health. However in the 2014 budget, the Government only planned to dedicate **9.8%**³ of its total spending to health.

GOVERNMENT SPENDING ON HEALTH



PROBLEMS WITH DISBURSEMENT

When funds are transferred from the national to local level, they are not always disbursed fully or on time to the local councils where they are needed. Between 2010 and 2013 in Sierra Leone, funds for health were released **four months** late on average.⁵ In 2013, **11%** of budgeted health funds were not released at all.⁵

Disbursement issues greatly affect the delivery and quality of healthcare services.⁵ In Sierra Leone, these bottlenecks are partly due to inadequate revenue collection at the central government level⁵, hence the importance of advocacy for stronger tax systems.

COULD SIERRA LEONE DO MORE?

Governments can and should spend **at least 5%** of their country's Gross Domestic Product (GDP) on health.¹ However in 2013, the government only spent **1.7%** of Sierra Leone's GDP on health,² and this figure was **unchanged** in the planned expenditure for 2014.³ Using the GDP measure is important as it shows where governments can do more relative to their country's wealth.

Part of the reason for Sierra Leone's low performance is that its total government revenue is only **13%** of GDP.⁶ This compares to a minimum target of **20%** which will be recommended at the International Conference for Financing in Development in Addis Ababa in July 2015.⁷ Currently, Sierra Leone is **one of only 32** countries in the world with total government revenue below 20% of GDP.⁶

THE IMPORTANCE OF TAX REVENUE FOR HEALTH

One reason for such low government revenue as a percentage of GDP is lost government income from illicit financial flows such as tax evasion, tax scams, criminal activity and corruption. These are estimated to have cost Sierra Leone **\$71 million per year (Le 305.8 billion)** over the last decade.⁸

This is on top of the **tax incentives** the government gives to foreign companies in the form of exemptions and reductions to certain taxes. The country has lost an estimated **US\$199 million per year (Le 840.1 billion)** to tax incentives in recent years—a figure which is over **twice** the health budget for 2014.⁹



THIS IS AN UPDATED VERSION OF A FACTSHEET FROM 2013 WHICH WAS SUPPORTED BY THE ABOVE ORGANISATIONS



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Notes: currency conversions conducted using the 2012 period average SLL to USD rates

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