MACRO-FISCAL CONTEXT AND HEALTH FINANCING FACT SHEETS
EAST ASIA AND PACIFIC

How Much Can a Country Spend on Health?
ACKNOWLEDGEMENTS

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ABOUT THE MACRO-FISCAL CONTEXT AND HEALTH FINANCING FACT SHEETS

What are the factsheets?
How much can a country spend on health? To answer this question it is important to understand the macro fiscal constraints under which a country operates. The Macro Fiscal Context and Health Financing Factsheets were created to provide quickly digestible information about a given country's fiscal health trends over time and benchmark the country against its income group or regional peers.

What is in the factsheets?
The factsheets use graphical representations of 14 key indicators linked to the larger macro fiscal environment in which a health system operates. The definition of each indicator as well as a guide for interpreting them in the context of fiscal space for health is provided in all factsheets.

What is the availability of the factsheets?
The factsheets are available for 188 countries covering a period from 1995-2010.

Where is the data from?
The data used in the factsheets is from the World Development Indicators (World Bank); Word Economic Outlook (IMF); and World Health Statistics (WHO) of November 2012. Gross National Income (GNI) is based on the Atlas method (current US $).

How do I cite the factsheets?

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Cambodia
Macro-Fiscal Context and Health Financing Factsheet

1C. Fiscal Indicators, 1996-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

1D. Sources of Revenue, 2002-2010

2D. Sources of Revenue, 2010

- **Debt**
- **Deficit**
- **Spending**
- **Revenue**

- **Cambodia**
- **Average in LICs**
- **Average in EAP**

- **Income**
- **Other Taxes**
- **Grants & Other Revenue**

- **Cambodia**
- **Average in LICs**
- **Average in EAP**
China
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Indicators, 1995-2017

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 4.9e+03
Population: 1.3e+09
China
Macro-Fiscal Context and Health Financing Factsheet

1C. Fiscal Indicators, 1995-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

1D. Sources of Revenue, 1995-2009

2D. Sources of Revenue, 2010

- Debt
- Deficit
- Spending
- Revenue

- Income Tax
- Other Taxes
- Grants & Other Revenue

China
Average in LMICs
Average in EAP
Indonesia
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Fiscal Indicators, 1995-2017

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 2.9e+03
Population: 2.4e+08
Japan
Macro-Fiscal Context and Health Financing Factsheet

1C. Fiscal Indicators, 1995-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

1D. Sources of Revenue, 2005-2010

2D. Sources of Revenue, 2010

Japan
Average in HICs
Average in EAP

Income tax
Other taxes
Grants & other revenue

Japan
Average in HICs
Average in EAP
Korea, Rep.
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

2A. Health Financing Indicators, 2010

1B. Macroeconomic Indicators, 1995-2017

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 2.1e+04
Population: 5.0e+07

Korea, Rep. Average in HICs Average in EAP
Lao PDR
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Fiscal Indicators, 1995-2017

GNI per capita: 1.1e+03
Population: 6.3e+06

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)
1C. Fiscal Indicators, 1995-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

1D. Sources of Revenue, 1996-2010

2D. Sources of Revenue, 2010
Mongolia
Macro-Fiscal Context and Health Financing Factsheet

GNI per capita: 2.3e+03
Population: 2.8e+06

1A. Health Financing Indicators, 1995-2010

- Tot. Health Exp. (% GDP)
- Govt. (% THE)
- Govt. (% GGS)
- OOP (% THE)

2A. Health Financing Indicators, 2010

- Tot. Health Exp. (% GDP)
- Govt. (% THE)
- Govt. (% GGS)
- OOP (% THE)

1B. Macroeconomic Fiscal Indicators, 1995-2017

- Growth
- Unemployment
- Inflation

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

- Growth
- Unemployment
- Inflation

Mongolia
Average in LMICs
Average in EAP
Papua New Guinea
Macro-Fiscal Context and Health Financing Factsheet

GNI per capita: 1.5e+03
Population: 7.0e+06

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Indicators, 1995-2017

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)
Philippines
Macro-Fiscal Context and Health Financing Factsheet

GNI per capita: 2.2e+03
Population: 9.5e+07

1A. Health Financing Indicators, 1995-2010

2A. Health Financing Indicators, 2010

1B. Macroeconomic Indicators, 1995-2017

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)
Singapore
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Indicators, 1995-2017

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 4.3e+04
Population: 5.2e+06

Singapore
Average in HICs
Average in EAP
Thailand
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

1B. Macroeconomic Indicators, 1995-2017

2A. Health Financing Indicators, 2010

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 4.4e+03
Population: 7.0e+07

Thailand
Average in LMICs
Average in EAP
Thailand
Macro-Fiscal Context and Health Financing Factsheet

1C. Fiscal Indicators, 1995-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

1D. Sources of Revenue, 2003-2010

2D. Sources of Revenue, 2010

- Thailand
- Average in LMICs
- Average in EAP

[Graphs and charts showing fiscal indicators and sources of revenue for Thailand, with data for 1995-2010 and projections for 2012-2017, and sources of revenue for 2010, comparing Thailand, average in LMICs, and average in EAP.]
Timor-Leste
Macro-Fiscal Context and Health Financing Factsheet

**1A. Health Financing Indicators, 1999-2010**

- Total Health Exp. (% GDP)
- Govt. (% THE)
- Govt. (% GGS)
- OOP (% THE)

**1B. Macroeconomic Indicators, 2001-2017**

- Growth
- Unemployment
- Inflation

**GNI per capita**: 2.7e+03
**Population**: 1.2e+06

**2A. Health Financing Indicators, 2010**

- Tot. Health Exp. (% GDP)
- Govt. (% THE)
- Govt. (% GGS)
- OOP (% THE)

**2B. Macroeconomic Indicators, Average 2012-2017 (proj.)**

- Growth
- Unemployment
- Inflation
Timor-Leste
Macro-Fiscal Context and Health Financing Factsheet

1C. Fiscal Indicators, 2000-2010

1D. Sources of Revenue, 1999-2010

2C. Fiscal Indicators, Average 2012-2017 (proj.)

2D. Sources of Revenue, 2010

- Debt [left]  - Deficit [right]  - Spending [right]  - Revenue [right]

- Income tax  - Other taxes  - Grants & other revenue

- Timor-Leste
- Average in LMICs
- Average in EAP
Vietnam
Macro-Fiscal Context and Health Financing Factsheet

1A. Health Financing Indicators, 1995-2010

2A. Health Financing Indicators, 2010

1B. Macroeconomic Fiscal Indicators, 1995-2017

2B. Macroeconomic Indicators, Average 2012-2017 (proj.)

GNI per capita: 1.3e+03
Population: 8.8e+07
Definition of Macro Fiscal Health Indicators

The 14 indicators describe a country’s macrofiscal environment to identify constraints or opportunities for health systems financing. For each indicator two aspects are important: level and trend. A country with a 10 percent unemployment rate that has fallen from 15 percent may be in better shape than one with an 8 percent unemployment rate that has risen from 4 percent. It is also important to benchmark to group averages of countries in the same World Bank (WB) region (EAS, ECS, LCN, MEA, NAC, SAS, or SSF) and income group (HIC, Upper MIC, Lower MIC, or LIC).

<table>
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<th>Indicator</th>
<th>Source</th>
<th>Definition</th>
<th>How to interpret for fiscal space for health?</th>
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<tr>
<td>Health Financing Indicators</td>
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<tr>
<td>1. Total health expenditure (THE as % GDP)</td>
<td>World Health Organization (WHO)</td>
<td>The sum of public and private health expenditure, which covers provision of health services (preventive and curative), family planning activities, nutrition activities, and emergency aid designated for health but does not include provision of water and sanitation (ratios in nominal LCUs).</td>
<td>Health financing indicators reflect not only the share of resources devoted to health, but also the role of the government in the health sector in terms of financing, provision, or regulation.</td>
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<tr>
<td>2. Government health spending (GHE as % THE)</td>
<td>WHO</td>
<td>Consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants, and social health insurance funds (ratios in nominal LCUs).</td>
<td></td>
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<tr>
<td>3. Government health spending (GHE as % GGS)</td>
<td>WHO</td>
<td>General government health spending as share of general government spending (GGS) (ratios in nominal LCUs).</td>
<td></td>
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<tr>
<td>4. Out of pocket spending (OOP as % THE)</td>
<td>WHO</td>
<td>The direct outlay of households including gratuities and in-kind payments to health practitioners, suppliers of pharmaceuticals, and other goods and services whose primary intent is to improve health status (ratios in nominal LCUs).</td>
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<tr>
<td>Macroeconomic Indicators</td>
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<tr>
<td>5. Growth (GDP, constant prices)</td>
<td>International Monetary Fund (IMF)</td>
<td>Growth is the rate of change of a nation’s GDP from one year to another.</td>
<td>Growth is the most important macroeconomic indicator. Additional fiscal space for health can be generated through economic growth without altering government spending priorities.</td>
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<td>6. Unemployment (rate)</td>
<td>IMF</td>
<td>Unemployment is the rate of unemployed workers of the total labor force. Unemployed workers are currently not working but are willing and able to work for pay, currently available to work, and have actively searched for work.</td>
<td>Persistent high unemployment is also evidence of structural problems in the economy. High rates of unemployment also may affect fiscal space for health if a large share of government health resources come from employer/employee contributions through payroll taxes.</td>
</tr>
<tr>
<td>7. Inflation (end of period consumer prices)</td>
<td>IMF</td>
<td>Inflation is the rate at which general level of prices for goods and services are rising.</td>
<td>High levels of inflation can indicate structural problems and macroeconomic instability.</td>
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<td>Debt, Deficits, and Spending Indicators</td>
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<td>8. Gross Debt (as % of GDP)</td>
<td>IMF</td>
<td>General government gross includes debt liabilities in SDRs, currency and deposits, debt securities, loans, insurance, pensions and standardized guarantee schemes, and other accounts payable. Equity and investment fund shares and financial derivatives and employee stock options are not included.</td>
<td>In the medium to long run, the level of debt is the most important indicator of fiscal solvency, and the deficit provides information on whether the debt level is under control or being brought under control. The level of spending reflects choices about the role of government in the economy. These choices should be constantly reviewed.</td>
</tr>
<tr>
<td>9. Deficit (as % of GDP)</td>
<td>IMF</td>
<td>General government net lending or borrowing is revenue minus total expenditure—it is the extent to which general government is putting in or utilizing the financial resources generated by other sectors and non-residents.</td>
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<tr>
<td>10. Spending (as % of GDP)</td>
<td>IMF</td>
<td>Total expenditure is the total expense and the net acquisition of nonfinancial assets. It accounts for disposals of nonfinancial assets.</td>
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<tr>
<td>11. Revenues (as % of GDP)</td>
<td>IMF</td>
<td>Revenue consists of taxes, social contributions, grants receivable, and other revenue. Revenue increases government’s net worth, which is the difference between its assets and liabilities.</td>
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<tr>
<td>Revenue Composition</td>
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<td>12. Taxes on income, profits, and capital gains (% GDP)</td>
<td>WB/IMF</td>
<td>Tax payments on personal and corporate income and capital gains.</td>
<td>The cost of raising revenues, in terms of the excess burden, generally differs by the source of revenue.</td>
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<td>13. Other taxes (% GDP)</td>
<td>WB/IMF</td>
<td>Other forms of tax payments, including taxes on international trade, VAT, and other excise taxes.</td>
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<td>14. Non-tax revenue (% GDP)</td>
<td>WB/IMF</td>
<td>Other forms of revenue, including grants.</td>
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